

Winning the Internet Sales Game

for Auto, RV, Motorcycle
and Marine Dealerships



Salesperson, Inc.

Winning the Internet Sales Game

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Disclaimer

This program is written in the masculine gender for ease of writing. Salesperson, Inc. has absolutely no bias to age or sex, and believes that any person who applies himself to the study and practice of internet selling can and should be successful.

Preface

In the late 1990s, Internet websites began to focus on retail sales. For example, in 1994 one-percent of automobile dealers in the United States had their own website. This figure reached 83% in 2000. It took cable television 25 years, and the personal computer seven years to reach 10 million customers. The Internet reached 10 million customers in 6 months. This makes the internet a serious consideration for auto, rv, motorcycle and marine dealerships for increasing sales and profits. Even the smallest mom-and-pop dealerships can see market share increases without the high cost of traditional advertising.

Automobile dealerships started internet selling in the early 1990's, so they have almost 17 years of e-dealership experience. You'll find many statistics in this program based on automotive results, since there are few statistics for RV, motorcycle and marine dealerships. They have succeeded and failed countless times, but for many dealerships just getting started, have provided a wealth of knowledge for RV, motorcycle and marine dealerships to learn, and profit from.

The e-dealer business is still new to most, and the internet has nowhere near reached its peak. Though most dealerships now have a website, they still do not take advantage of the many sales possibilities the internet can provide.

Whether your dealership is big or small, new or used, RV or boat, **"Winning the Internet Sales Game"** will help answer many questions that will help you reach e-dealer status.

Enjoy the program!

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Chapter 1

Introduction

Quick Thought

“Give a person a fish, and you feed them for a day; teach that person to use the Internet and they won’t bother you for weeks”

Today, more dealerships are marketing their vehicles through the Internet than ever before. And while the jury may still be out on the success of cyber-selling, leading marketers believe if you don't jump on the Internet bandwagon soon you'll be left on the side of the Information Superhighway. Web sales are escalating at a frantic pace. In 1999, electronically transacted sales worldwide were nearly \$100 billion, of which the U.S.'s share approached three-fourths. In 2004, electronic sales are expected to rise to \$1.24 trillion, according to a new eBusiness Report, and will continue to rise in the coming years.

Don't be fooled, though! Just because you have a website doesn't mean you should expect thousands of e-mail orders or be able to replace your sales staff.

What are the requirements for developing a sound internet department?

In the 10 years I've been in the internet arena, from developing internet sales departments in dealerships, to running my own ecommerce website, I've observed that there

are several basic requirements for good Internet sales results.

The first, and probably biggest hurdle is the need for buy-in and approval from the dealer principles and managers. It doesn't require a full paradigm shift to sell vehicles on the web, but it does require doing business a little differently than dealers have done for decades. The consumer wants feedback on pricing, financing, trade values, etc. Dealers must be willing to give this information if the need arises as opposed to the traditional "come on down and we'll put a deal together" response. Dealers need to accept that the web is the most affordable, most palatable, most used medium for consumers to research and find a vehicle to buy. For the first time, the Internet is being used to research a vehicle purchase more than print ad, TV or radio advertising. 88% of people that walk on your lot to test drive have been on the web before they drove in (JD Power and Associates). That's irrefutable proof that the Internet is the most viable resource to bringing in clients that don't pull up in front of the showroom on their own.

The marriage between showroom sales and internet sales will never be successful without complete and unyielding commitment. This is required as the basis for success. The commitment must come from all parties involved. The consumer has already met their end of the bargain when they placed the request. The dealership itself must be committed in not only monetary involvement, but to their Internet personnel as well. Too often dealerships will feel they have done their part by putting up a website, paying for providers, and placement of a dedicated Internet person to handle their leads. Where they fail is to meet the commitment to their own people in not providing an adequate pay plan, proper specialized training, and support through dealership policies.

The Internet Sales Manager (ISM) must also be vigilant in their commitment to the Internet and the dealership. I have talked to so many ISMs that have not learned how to properly design or write a business plan for their Internet program and fail to develop the program for the Dealer Principal that is designed to be successful. The greatest percentage of ISMs are giving their time to be productive, but fail to truly do everything they can to hone their own skills to be successful. This is also due to lack of commitment and the minimal amount of true Internet sales training that is available throughout the market. If you are an Internet Sales Manager lobbying for better support from your Dealer and GM, having the hard facts regarding the profit potential is a must. I'd suggest doing some research and finding out how many cars your competitors are selling online. You also may want to know your average advertising cost per traditional sale and compare that to the advertising cost for an online sale. NADA Industry Analysis puts the numbers at \$450 for traditional and only \$200 for online. Furthermore although the Internet generates 13% of new vehicle sales the average dealer only devotes 5% of its advertising budget to online initiatives. If you can convince manage-

ment he/she is leaving money on the table by not getting you the tools you need, its doubtful you will be without them long.

Is the internet shopper different from the showroom shopper?

The Internet shopper expects to "bypass" the typical floor salesperson and deal with someone who they feel is not necessarily a salesperson-type but more of a consultant. If you are the Internet Sales Manager you may wish to pay these people a salary for the daily work required to run a good web presence and a slightly smaller commission than a typical floor salesperson. Dealers that do it right, find their Internet department to be one of their lowest cost, highest return divisions in the dealership.

We have a website, isn't that enough to sell our vehicles on the internet?

Some website providers will tell you it's all in the website. Although I'd like to think it has that enormous power, it's a combination of efforts and tools. However, there are stats that verify that a good website is crucial to get people from the web to the closing booth. For online shoppers that had a low quality online shopping experience there is only a 25% probability of purchase of that make. Conversely, shoppers that had a high quality online experience have a 41% probability of purchase (Vividence). The sales process is basically the same for floor and Internet sales; land the customer on a car, find out if and what they are trading in, evaluate their buying ability, close the deal. The website must address and be conducive to exercising these steps on line.

The crucial and often overlooked reality is that people sell autos, rvs, motorcycles and boats - technology doesn't. Dealerships need a strong e-strategy leader supported by a good team of competent salespeople. These don't need to be the best salespeople on the floor. That's not necessarily the personality type that makes a good Internet salesperson. Great Internet salespeople are usually those that are the soft spoken, less aggressive, that can work the phones and gain the trust of the internet prospect throughout the day. Internet shoppers are looking for someone a little different that can do business the way "they" need it done. Then how should our website be structured?

The days of templated Internet billboard websites are over. The website should not be viewed as a form of advertising, but more of an actual showroom (that happens to be open 24 hours a day, 7 days a week, all year long) There's no other way to get in front of that many people,

that often, all day every day for the such a low cost. Make sure your website gives consumers information upon request, is driven by a sales process more than just an information process, has easy access to vehicles, prices and pictures (what over 70% of consumers are coming to your site to find). Prominently display your Internet Department phone number on all pages of the site, as people are still more likely to call versus email when on your site. Offer the ability to view vehicles and search your inventory. After all 61% of consumers begin their research without having decided on a make or model (Jupiter). Loose the 2-page history of the dealership on the home page and put it on the last page. Just as you would on the floor, get them in front of vehicles as quickly as possible (preferably one click from the home page), ask about their trade in, and funnel them into a purchase decision or point of contact to get them into the showroom and do what you do best...close deals!

Stats show that the highest closing percentage and lowest cost of sale on an Internet sale are from those people who come directly to your homepage. Stats also show that the majority of people who actually come in from the website and buy, are in about a 30 - 50 mile radius of the Dealership, where your traditional advertising reaches. Lead providers are still an excellent source of leads. There are several that send good quality leads, and these might differ from region to region. Get their stats, ask other dealers, and find one or two that will work well for you. A good stats reporter or lead tracker with your website will tell you if the lead provider is doing you a good job.

How can we get prospects to come to our website?

Putting the website address at the top of the print ad, and not at the bottom in the fine print will increase web traffic dramatically. Also, tagging your radio and TV spots with your URL will also increase traffic, and none of these ideas cost any extra money for the dealership. Using the right key words and metatags for good search engine placement is very important. Search engine optimization works. There are companies that can guarantee top 10, or even top 3 placements on search engine results. But excellent search engine placement can be learned on your own. Business cards, service and parts receipts, license plate frames, signage, all should have the web address on them, and again cost little to nothing to do. An ISMs job is not just to get the online-showroom perfected but also to get creative with marketing it. I often tell dealers "This is not the field of dreams - If you build they don't just magically come." Getting them there is a key part of success. Think about it, once you have them at the site the rest is just math...Browser to Lead ratio 'Lead to Appointment ratio' Appointment to Close Ratio. Pour more traffic in the top of the funnel and expect to sell more of your vehicles. So, how can we get started?

Before you go one more step forward with your Internet program, you must take stock of what you currently have, what is working, and what direction you should be headed. The Internet is a powerful sales tool, and if you are not selling your vehicles using it, there are reasons why.

Here are six basic steps that every online dealership should take to improve its ability to increase auto sales:

1. Have a properly designed, effective website.

Elements of a website that customers will love and use include:

- User friendliness
- Use of headlines
- Free giveaways
- Easy, fast and accurate navigation
- Professional throughout

And don't forget what should be obvious the site should sell customers on what they are looking for.

2. Maximize sales opportunities with correct site positioning.

The most important thing to remember about search engines is that they "read" words. Creating a list of words and phrases that are relevant to your site is crucial to attracting buyers. Anyone can submit a site to the search engines. The trick is to submit the appropriate phrases that people use to search.

3. Develop an online marketing strategy.

Your marketing strategy should be well thought out, detailed, time sensitive to market trends and in a written format for ease of implementation.

4. Develop e-customer sales skills and systems.

It's crucial to your sales that you:

- Decide who's responsible for handling inquiries
- Decide who will contact the customer and how

- Ask what the customer wants once the contact is made
- Use these contacts to create personal relationships
- Use autoresponders to let customers know you will reply to their inquiry as soon as possible
- "Personally" respond to every prospect that wants more information about your product or service, regardless of how many requests you get each day.

5. E-customer service should be top-notch!

According to Dialscore research drawn from a 10,000 online consumer survey, poor customer service is the primary turnoff for e-customers. Vehicle sites ranked the lowest with only 10 percent of respondents saying the sites resolved problems satisfactorily. Make it easy for your website visitor to interact with a live person representing your business.

6. Measure the results of everything you do!

The power of Internet marketing lies within the ability to measure:

- where leads come from
- what people are interested in, and
- customer satisfaction and the ability to reach prospects over and over again inexpensively.

If you don't measure what works and what doesn't work, you will never be able to replicate success or avoid failure.

These are just a few of the items we'll be discussing in this program. As you continue with your training, you'll find that by implementing the concepts and ideas within this course, your internet department will return more sales and profits than you can imagine.

Good luck.



Chapter 2

Looking Into the Future

Quick Thought

"The Internet is a giant international network of intelligent, informed computer enthusiasts, by which I mean, "people without lives." We don't care. We have each other..."

The big question on everyone's mind these days is, "What's with this whole internet thing?" Some dealers are doing well, while others can't even get started. I want to give you a perspective of how not only the Internet, but technology in general is changing our business and also give you an insider's view of what and how the dealership of the future will look like and operate. This will hopefully get you excited to take that next step in developing a sound internet department. As we move into the digital economy, no area of the business economy will be left unturned, including the automotive industry, which until recently has gone virtually unchanged over the past 100 years.

Hiring

The Internet will either be the lifeline of your dealership or the noose that will hang you. It will become the gateway of communication with your prospects, customers and suppliers alike. To expand upon that thought, envision the Internet as a showroom where you can engage prospects, deal with customers in real time using voice, chat and video and manage your entire dealership, including

inventory and personnel, right from your desktop computer. When you hire a new person at your store, they'll sit down at a terminal, order their business cards, get set up for payroll, modify or create their 401k and any other administrative work necessary to become a functional employee.

They will also take a test to determine their product knowledge and sales aptitude and from this test result they will be required to take courses at your dealership university (or ours!!). Training your staff will never be easier. They will sit down at a computer and learn from the best instructors from around the world in a virtual live classroom. You'll track every employee's training to determine if they are qualified to perform their job efficiently and effectively. Continuing education will play a powerful new role in the success of your dealership. The dealership of the future will turn into a learning organization.

Ordering supplies

Using the Internet, you'll put out for bid all the dealership services and products you frequently order to maintain a cost savings. This will allow you to run a more lean and focused business by leveraging technology to do the mundane tasks.

Monitoring your business

Everything in your dealership will be tied together into a powerful intranet that is designed to give you a 360-degree view of your operation at any point in time or from any location around the world. A dealer will not only be able to see financial, employee and customer data, but every other pertinent piece of information that will allow you to operate a successful dealership. You'll use this data and compare it to historic data or future trend information to make sure you are on target to reach your objectives, all in easy-to-read charts and reports.

Selling vehicles

You will monitor your inventory and compare it to auction prices in real time to ensure you are cost competitive, and these changing figures will instantly update your consumer website pricing to create a more dynamic pricing model for your local area consumers. Over-aged or non-productive units will get wholesaled right from your lot without ever going to an actual auction through an online global auction network, thereby reducing your used vehicle department operating expenses.

Picture a prospect going to your website and not only checking available inventory, but what is in transport and when it will arrive since you're tied into logistic software that tracks your inventory from the factory to your dealership in real time, live over the Internet. If they don't see exactly what they want, they can place an order that will be directly slotted into production at the factory, which in turn will arrive at the dealership within seven working days. During the entire process of building the vehicle the customer will get updates and be able to see their vehicle during production, transport and local dealership delivery.

Service

Making service appointments online will be tied directly into your dealership operating system so your appointment book is updated instantly. As recalls come out, the computer searches your customer database and automatically e-mails everyone who is affected and gives them three possible appointments to have their vehicle fixed. Scheduling will be automated enough that consumers will diagnosis their own vehicles through a series of questions linked into a database that determines the vehicle problems and automatically schedules the needed amount of time to make the repairs. Your computer will automatically manage your customer relationship by utilizing a technique called relational data mining to determine what the customer will buy and when, based on past experience and interaction with the customer. Road-side service will hit a new level when your dealership computer system will be able to dial up to any customer's car and do a preliminary review to determine what is the problem and preorder any parts that would be necessary if the dealer doesn't have them in stock. Envision a parts department with virtually zero inventory because you have them delivered just in time through a parts network over the Internet right when you need them.

The future enterprise will be a smaller facility with less staff and more focused around customer care and service than sales. You will keep less inventory, enabling you to have a greater turn rate, increasing bottom line profits while your in-stock inventory will greater reflect your local consumer market buying habits based on collected real time data from motor vehicle registrations and local area vehicle requests from the Internet. Your dealership will sell more vehicles than you thought was possible, leveraging technology to streamline processes that were normally carried out by people. Most, if not all, of this technology is here today, but will take time and effort to implement it into your current operations.

The future is all around us. Now is the time to make it work for you.



Chapter 3

Benchmarks of the Most Successful Dealerships

Quick Thought

“Getting information off the internet is like taking a drink from a fire hydrant.”

This information is taken from the 2003 Market Data Book and Ward's Dealer Business and based on automotive dealerships.

At a time when overall sales in the auto industry have been sluggish at best, a few dealerships have been winning big. What are these dealers doing differently? You guessed it – they've fully integrated the use of Internet leads into their sales programs. The numbers don't lie – the reasons for dealers to aggressively pursue the Internet sales opportunity keep adding up.

The Master Dealers in Internet Leads: Over 10% of Sales from the Net

According to independent research firm Jupiter Research, about 21% of dealers have fully integrated the Internet channel into their overall sales strategy. These dealers are masters in Internet sales. While they continuously hone their craft and focus on increasing Internet sales even more, they lead other dealers because they generate over 10% of sales from the Internet. On average,

these dealers sold about 97 cars per month in 2002. The vast majority of them, 93%, have been using Internet leads for over three years.

The Pro Dealers:**5%-10% of Sales from the Net**

A second group of dealers, about 55%, use the Internet more as a stand-alone marketing channel, apart from their everyday floor sales activities, says Jupiter. We'll call these dealers the Pros – as they're doing well, but their Internet initiatives are still evolving. They generate about 5%-10% of their sales from Internet leads. In 2002, the Pro Dealers sold about 74 cars per month. About 84% of them have been using Internet leads for more than three years.

The Amateur Dealers:**Less Than 5% of Sales from the Net**

The third group of dealers, about 24%, are the Amateur Dealers - they are in the Internet game, but still very much in the early stages on the path to Master status. They generate less than 5% of their sales from the Internet. This group sold, on average, about 67 cars per month in 2002. Fewer of the Amateur Dealers have been using Internet leads for more than three years - about 69%. At a time when industry consolidation is occurring rapidly - there were nearly 23,000 dealerships in the U.S. in 1994 and there are 21,800 today – the Amateur Dealers need to catch up or they could become frustrated and phase themselves out.

Lead Source of Choice:**Third Parties Are Up**

Capitalizing on their success, Master Dealers are investing more in third party Internet leads and depending less on leads from their OEMs. According to Ward's Dealer Business, from 2001 to 2002, the top 100 Internet dealers increased the portion of third party Internet leads in their overall mix by 6%. According to Jupiter, this year, the Master Dealers increased their use of third party Internet leads by another 2%. By contrast, these dealers plan on getting 2% fewer leads from their OEMs. Top dealers are realizing more and more that third party lead providers exist solely to sell leads - they are totally dependent on delivering a quality product or they'll be phased out. OEM sites, on the other hand, have the "higher" purpose of spotlighting the manufacturer's corporate and brand image, as well as new models, so Internet leads are not their sole reason for being.

**Continuously Higher Close Rates:
10% or Better**

It's no surprise that the Master Dealers close their Internet leads at a higher rate than other dealers. Over half have closing rates of 10% or better, according to Jupiter. Ward's Dealer Business found that the top 100 Internet dealers increased their close rates of third party leads by 1% from 2001 to 2002, while closing rates for leads from both OEM and dealers' own sites declined. Just 40% of the Amateur Dealers match those closing rates. As for the Amateur Dealers, only 17% can compete with close rates of 10% or better. Not ones to rest on their laurels, 85% of the Master Dealers reported that their close rates are getting even better.

Tracking

If it's true that measuring yields success, an important question for every Internet dealer to ask is - am I paying enough attention to my performance metrics? Jupiter found the following:

- 88% of dealers track the number of online leads they receive
- 84% keep track of their leads by lead source
- 62% regularly track lead close rates
- 56% track response times
- 44% measure the ROI for their online efforts

Perhaps an even more important question to ask is - why aren't all of these numbers 100%?

Main source:

The Jupiter Research/NADAguides Executive Survey, June 2003.



Chapter 4

Fundamentals of the Internet

Quick Thought

“While you are destroying your mind watching the worthless, brain-rotting drivel on TV, we on the Internet are exchanging, freely and openly, the most uninhibited, intimate, and yes, shocking details about our “CONFIGSYS” settings.”

In recent years, the Internet has become an important way for dealerships to do business.

Some of you may just be starting to experience computerization and the internet. If so, this tutorial may be helpful in gaining an understanding that will help you succeed with your internet department.

The chapter starts with the fundamentals – basically, defining what the Internet is. Later you’ll be introduced to website design, as well as an understanding of the importance of search engines and online marketing strategies that are proven to deliver business success.

We all know that the Internet is huge, and that the information that can be obtained is endless. Understanding the Internet and how it works is a good starting point for new users. Much of the ‘surfing’ that new users do is wasted time. Only later do you learn the techniques and shortcuts to make efficient use of everything the Internet can offer.

What is the Web?

- The World Wide Web is a collection of electronic documents that are linked together like a spider web.
- These documents are stored on computers called servers located around the world.
- The Web has evolved into a global electronic publishing medium and increasingly, a medium for conducting electronic commerce.



What is the Web Made of?

- Your personal computer
- Web browser software to access the Web
- A connection to an Internet service provider (ISP)
- Servers to host the data
- Routers and switches to direct the flow of data



How the Web Works

- Web pages are stored on web servers located around the globe.
- Entering the (Uniform Resource Locator) URL of a web page in your web browser or clicking a link sends a request to the server which hosts the page.
- The server sends the web page to your computer and your web browser displays it on your screen.



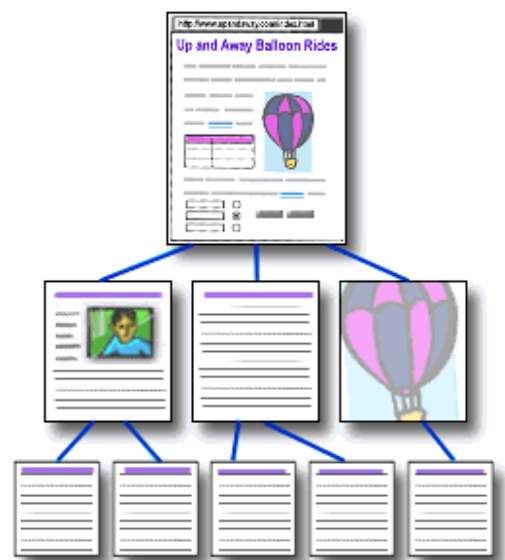
Web Pages

- A web page (such as the one you are looking at now) is an electronic document written in a computer language called HTML (Hypertext Markup Language).
- Web pages can contain text, graphics, video, animation, and sound, as well as interactive features, such as data entry forms.
- Each page has a unique address known as a URL (Uniform Resource Locator), which identifies its location on the server.
- Web pages usually contain hyperlinks to other web pages. Hyperlinks are text and images that reference the URLs of other web pages.



Web Sites

- A website is one or more web pages that relate to a common theme, such as a person, business, organization, or a subject, such as sports.
- The first page is called the home page, which acts like an index, indicating the content on the site.
- From the home page, you can click hyperlinks to access other web pages.



Navigating the Web

- There are three main ways to move between web pages or websites:
- Clicking a text hyperlink.
- Clicking a hyperlinked graphic image, such as a button, photograph, or drawing.
- Typing the URL of a web page in the location box (also known as the address field) of your web browser and the pressing the Enter or Return key.



Identifying a Hyperlink

- Text links are usually underlined and in a different color from the rest of the text. It usually looks like this: <http://www.inetselling.com>.
- To determine if a graphic is hyperlinked, move your cursor arrow over the image. You know the item is hyperlinked if:

1. the arrow cursor turns into a hand -

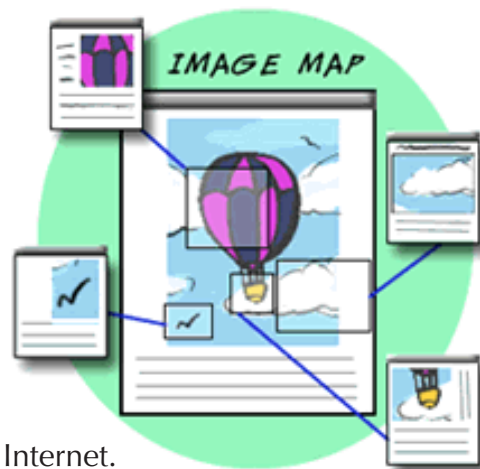
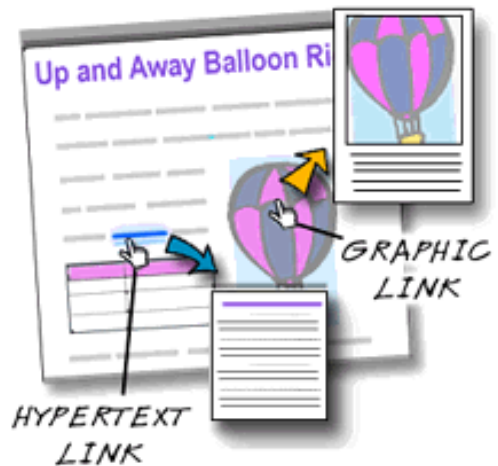


2. A URL appears in the status bar at the lower left of your web browser.



How Hyperlinks Work

- A text or graphic hyperlink hides a URL.
- Clicking a hyperlink passes the URL to your browser.
- Clicking different parts of a linked graphic, called an image map, takes you to different web pages or different places on the same page.
- In addition to pointing to web pages, hyperlinks can access media files, such as sound or video clips.



Using Web URLs

- A URL indicates where the web page is stored on the Internet.
- You need to type a URL exactly for your browser to locate the desired web page.
- Although URLs may contain spaces between characters, they usually do not.



Tip: URLs almost never use back slashes (\).
All slashes are forward slashes (/).

- Some large websites have multiple URLs that access the same site.
- The location box or address field on your browser indicates the URL of the page you arrived at after clicking a link.



Examples of URLs

- <ftp://inetselling.com>
A directory of files that you can download
- <http://www.inetselling.com>
The home page for Internet Sales Training
- <news:rec.gardens.roses>
A newsgroup about rose gardening



Anatomy of a URL

- Here is how to interpret the various parts of a URL:
 - <http://www.inetselling.com/program/start.htm>
 - <http://> - Short for Hypertext Transfer Protocol, this indicates a hypertext document or directory.
 - [www.](http://www) - This indicates a page on the World Wide Web. (Sometimes "www" is missing.)
 - [inetselling.com/](http://www.inetselling.com/) - Called the domain name, it often tells you the name of a company, university, or organization. It can also tell you the country of origin.
 - www.inetselling.com/ - Together, these indicate the web server name.
 - [program/](http://www.inetselling.com/program/) - This is directory or folder on the web server that contains a group of related web pages within the website.
 - [start.htm](http://www.inetselling.com/program/start.htm) - This is a web page inside the folder. (The same file can be named start.html) A URL doesn't always include the name of the web page.

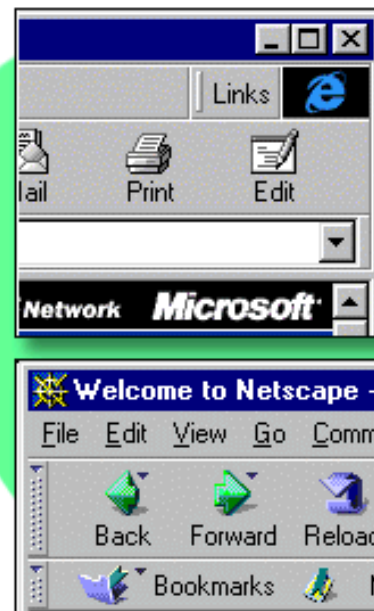
Membership Web Sites

- Some websites require you to enter a password to access sections of the site.
- You can get a password by registering with the site, usually by filling out an online form. Some sites require that you pay a fee.
- Examples include:
 - News sites, such as The Wall Street Journal.
 - Technical support sites for many companies.
 - Sites with proprietary information that is sold, such as financial and research sites, and training courses like this one.



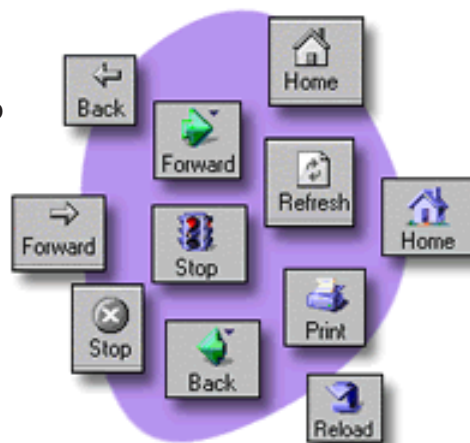
Web Browsers

- A web browser is a software program used to access the World Wide Web.
- A browser (also known as client software) retrieves data from remote web servers and displays a web page.
- The four most popular browsers come from Firefox, Opera, Netscape and Microsoft.
- Browsers basically work the same way. Once you know one, you can easily learn the other.



Anatomy of a Web Browser: The Toolbar

- The most useful buttons on your browser toolbar include:
- Back - Returns you to the previous page.
- Forward - Returns you to a page you have backed up from.
- Home - Takes you to a home page specified in the browser preferences.
- Reload or Refresh - Downloads the web page from the server again.
- Stop - Stops the browser from loading the current page.
- Print - Lets you make a hard copy of the current document or frame loaded in your browser.



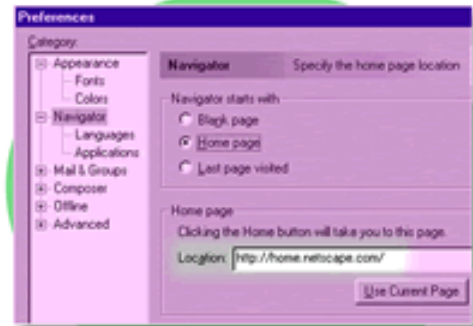
More Web Browser Anatomy

- Access indicator icon (upper right) - When animated, it tells you the browser is retrieving data.
- Status bar (lower left) - Reports on the progress of the data download.
- Go menu - Lets you select a web page you have previously accessed.
- Text-only mode (Images button) - Prevents graphics from loading, providing a faster way to access web pages.



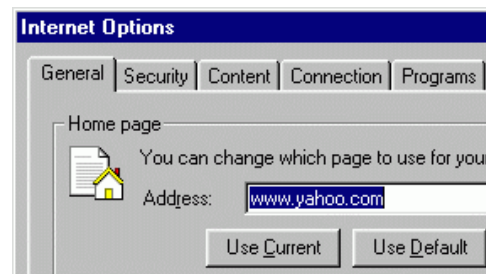
Specifying a Home Page in Navigator

- On the browser Menu bar, click Options, select General Preferences, then select the Appearance tab.
- In the Browser Starts With text-box, type the address of the web page you want as your start-up page.
- Click OK.



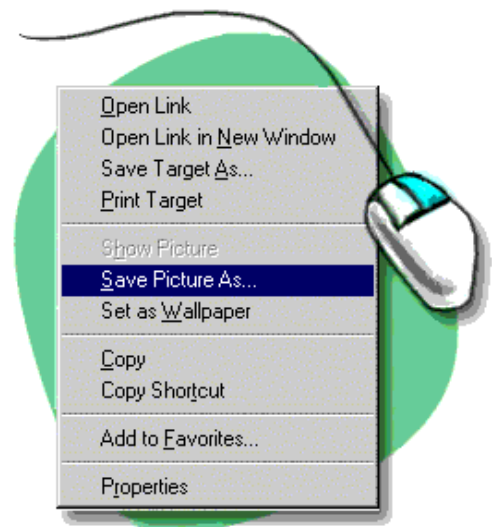
Specifying a Home Page in Explorer

- Go to the web page you want to use as your start-up page.
- On the browser menu bar, click View, select Options, then select the General tab.
- In the address Text box, type in the address of the web page you want as your start-up page.
- Click Use Current.



Saving an Image from the Web

- Move your cursor over the graphic.
- Windows users: Click the right mouse button. A pop-up box appears.
- Macintosh users: Click and hold the mouse button. A pop-up box appears.
- Save the image to your hard drive by selecting a Save option.
- You can accept the current file name or rename the file. (Graphic files are usually in .gif or .jpg format.)



Printing a Web Page

- Most browsers have a Print button on the toolbar that lets you print a web page.
- Some web pages are divided into multiple sections called frames. You can only print one frame at a time.
- To print a particular frame, first select it by clicking it.
- Then click the Print button or select Print Frame from the File menu.

Multimedia on the Web

- Sound, video, animation, and 3D interactive video are referred to as multimedia.
- Some multimedia, called streaming media, plays as soon as you access a web page.
- Others require that you download the multimedia file to your computer first.
- Multimedia files often requires that your browser use a plug-in program.



Plug-Ins

- Plug-ins are small software programs that extend the capabilities of your browser by enabling it to play sounds and video clips or do other functions, such as automatically decompressing files that you download.
- Plug-ins may come with your browser software or can be downloaded from websites.
- Some plug-ins enable streaming audio or video, which lets you hear or view a multimedia file before it has completely downloaded to your computer.



Congratulations on completing this mini-course. You're now on your way to becoming a Master of the Web.

You can continue on to the next chapter.



Chapter 5

Your Website as a Sales Tool

Quick Thought

“The Internet is the most important single development in the history of human communication since the invention of call waiting.”

Today, just about every dealership seems to have a website. But building a successful website, however, is much more than putting together a series of web pages. It involves building a strategy that truly integrates your business with the web in ways that support your current needs, help you to grow, and can grow with you.

What will implementing a successful web strategy lead to?

- enhanced company image and brand
- improved outreach to customers and prospects, generating leads and more business
- improved customer service, improving retention and positive word-of-mouth
- more efficient access to information for you and for your customers

Executing a poorly conceived web strategy, on the other hand, can be catastrophic to your dealership's reputation, your wallet, and your peace of mind. To some, the need

to plan might seem obvious, but many websites have been built with little underlying strategy – leaving internet departments wondering, “What went wrong?” You must treat the website planning process no differently than you would any other business planning exercise – no differently than you would the development of an advertising campaign or a special sales promotion.

For those of you who already have a website, but find that it has failed to reap the rewards of internet sales, do not despair! Taking steps to plan can work for you too. View this as an opportunity to “re-invent” yourself – an opportunity to step back, start fresh, and take a strategic approach to venturing onto the web.

Should we have someone in-house that develops our website?

I like the idea of having someone in the dealership that can act as the webmaster for your site. This person should know about building a site, optimizing it for the search engines, and updating information quickly.

How can I make my website more customer friendly?

In the age of the internet a new kind of customer has developed we’ll call the “experienced digital shopper”. The reason stems from the enormous amount of vehicle data that customers have access to online. Your goal should be to help the customer have an easier, faster and simpler vehicle shopping and purchasing experience.

Here’s several tips to help make your web site more customer friendly:

Organize your site with the customer in mind

When you design your website, do it with the customer in mind. Dividing your website up in different categories of your dealership sales, service, parts, etc. may not be the best answer for your dealership. It might be better to create part of your website that walks your potential customer through all the necessary steps to buying their next vehicle in a simple, yet informative way. It is important to build your website based on the way your customer will buy.

Remember that people who shop the web are different from those who build websites. Developers know about all the fancy tools while customers want to know one thing - “Where am I going to buy my next vehicle at the fairest price in the fastest amount of time?” Make your web site really easy from which to buy.

Make sure your vehicles are easy to search

Is all the information on your website easy to find and readily available to your shoppers with one click? If not, here are a few things you can do to cure the problem. First, make your inventory searchable from the front page. All the online services have this feature and so should you. Second, make all product information one click away from any point on your web site. If you can't do that, make sure it is no more than three clicks.

The main thing is you must own the customer experience from start to finish through the personalization of your customer's experience, while engaging the customer through a rapport building process. Be sure to make the experience easy, accessible and intuitive for the shoppers. You need to build the customers confidence by providing clear paths to all parts of your website. Having a website alone is not enough to compete anymore, so try to stay current on the latest trends affecting online shopping. You must build a knowledge and resource center to handle your customer's questions, complaints and concerns. This one feature will have customers frequenting your website.

Why should I worry about traffic from my website when I buy leads from a provider?

Keep in mind that the leads that come from your website will typically close at double the rate of leads from most 3rd Party lead providers. So, when you can invest a little time and training money on something that increases higher closing ratio leads, the return on investment becomes very appealing. More importantly, the return on time invested is even greater because you are increasing leads that close at a higher ratio, which means you're spending less time on leads that don't sell.

Is there a key to building a profitable "Internet Dealership?"

You bet - it's devoting your efforts to making it a success. You need to provide your internet shoppers with the information and tools they need to build a relationship with your dealership. The internet shopper is using your website to avoid the "conventional hassles" involved in purchasing a vehicle.

Stay on top of your website. Keep control of the features you can change. Customers look for good deals, so put special incentives on your site. Service specials, inspections, and oil change coupons all work well. You may want to include a section with special news and listings of your newest vehicles, or great savings on your slower-moving inventory. Remember to include pictures of your new and used inventory.

The customer needs to be able to shop your inventory and be directed toward the purchase. Get your inventory online with as much detailed information on the vehicle as possible. Once the internet customer has the perfect vehicle located, help the customer to the next step by having an online credit application. This helps commit the customer to the dealership.

If your site is informative, interactive, easily navigable, and your online buying process is customer friendly, both you, the customer and the dealer will benefit.

How can I increase traffic to my website?

I'm a big fan of search engine optimization, which I talk about in another section. It is a critical component to internet success. But there are some other fundamental marketing basics that are just as important to increase your website traffic. These should be given serious attention, not just because these activities are proven to work, but also because they cost almost nothing to implement.

Keep your online inventory current and let everyone know about it.

Keeping your online inventory fresh not only keeps your head in the game, but also makes shoppers want to come back often to see what you have available. This is also where you can email your inventory to all your prospects as a continuous marketing effort.

Make sure your receptionist is aware of what your web address is.

There are still many people who are not as computer literate as you are. They need to be trained on giving the correct information and understanding the difference.

Make sure your receptionist has a list of all dealership email addresses.

The computer shopper likes communicating by email. When the receptionist knows everyone's email address, it makes it easier to provide the internet shopper with the correct information in a timely manner.

Make sure your receptionist knows the difference between web and email addresses.

When prospects call and ask about the web address, they should not be given an incorrect URL or an email by accident. It would surprise you to know how often this mistake is made.

Mention your web address on your phone systems on-hold message and after-hours message.

They can come to your website 24 hours a day, 7 days a week. By providing this information when you're receptionist is loaded with calls, can communicate with you quickly, or is closed, it gives the prospect another venue to keep the information and sales process moving forward.

Make sure all of your current advertising mentions your web address and that you have current inventory.

Everything from radio, television, yellow pages, newspaper ads and business cards should mention your web address in some fashion or another. This mention can be as brief as, " For current inventory and specials, visit www.abcmotors.com."

Put your website on anything you print.

From brochures and stationary to receipts and business cards, a short phrase like, "For current inventory and specials, visit www.abcmotors.com" works nicely without taking up too much space.

Put your website address on showroom windows and license plate frames.

It does not cost that much to paint your windows, and license plate frames provide to significant advertising.

When it comes to thinking about increasing traffic to your website, dealerships only have two paths to choose:

- either commit yourself to doing everything you can to promote your site and drive traffic to it, or
- reduce your expenditures by getting rid of your site and simply having a website page with directions, hours of operation and a phone number.

When you there can be no doubt that the internet is, for many dealerships, a valuable profit center, every future-thinking dealership would choose the former of the two.

What statistics should I have access to, and what can they tell me?

The information you receive is crucial to your business, because it will give you invaluable information regarding what is happening on your site. If you have a website and receive no access to statistical information regarding its daily activity, ask your provider. There is a good possibility that it is available and they aren't giving it to you.

Most websites take a lot of time and effort to create and successfully launch. But after all this work, dealerships are asking themselves, "Is it doing the job?" Here are a few other questions the stats page on your site should be answering:

- Who is accessing my site? From which state? Which domains?
- Which users are accessing it the most?
- Which pages are being viewed the most?
- When are people visiting my site?
- Which days of the week and month? Which hours of the day?
- How are people finding my site?
- Which pages are linking to mine?
- Which words are people using to search?
- Which errors are occurring on my site (bad links, missing pages, etc.)
- Which browsers are people using to view my site?

This is some of the information you need in order to know how your site is doing and where it needs to be improved. It serves as a road map to the future of your internet business. If you are not receiving any stats at all about your website, you must ask for it. The internet is one of the most accountable marketing tool you have, but only if you utilize it properly.

When having our website built, what should we try to avoid?

Using Frames

Splitting a page into frames is very confusing for users since frames break the fundamental user model of the web page. All of a sudden, you cannot bookmark the current page and return to it (the bookmark points to another version of the frameset), URLs stop working, and printouts become difficult. Even worse, the predictability of user actions goes out the door: who knows what information will appear where when you click on a link?

Gratuitous Use of Bleeding-Edge Technology

Don't try to attract users to your site by bragging about use of the latest web technology. You may attract a few nerds, but mainstream users will care more about useful content and your ability to offer good customer service. Using the latest and greatest before it is even out of beta is a sure way to discourage users: if their system crashes while visiting your site, you can bet that many of them will not be back. Unless you are in the business of selling Internet products or services, it is better to wait until some experience has been gained with respect to the appropriate ways of using new techniques. When desktop publishing was young, people put twenty fonts in their documents: let's avoid similar design bloat on the Web.

Scrolling Text, Marquees, and Constantly Running Animations

Never include page elements that move incessantly. Moving images have an overpowering effect on the human peripheral vision. A web page should not look like Times Square in New York City in its constant attack on the human senses: give your user some peace and quiet to actually read the text!

Complex URLs

Even though machine-level addressing like the URL should never have been exposed in the user interface, it is there and we have found that users actually try to decode the URLs of pages to infer the structure of websites. Users do this because of the horrifying lack of support for navigation and sense of location in current web browsers. Thus, a URL should contain human-readable directory and file names that reflect the nature of the information space. Also, users sometimes need to type in a URL, so try to minimize the risk of typos by using short names with all lower case characters and no special characters (many people don't know how to type a ~).

Orphan Pages

Make sure that all pages include a clear indication of what website they belong to since users may access pages directly without coming in through your home page. For the same reason, every page should have a link up to your home page as well as some indication of where they fit within the structure of your information space.

Long Scrolling Pages

Only 10% of users scroll beyond the information that is visible on the screen when a page comes up. All critical content and navigation options should be on the top part of the page. Note: More recent studies show that users are more willing to scroll now than they were in the early years of the Web. I still recommend minimizing scrolling on navigation pages, but it is no longer an absolute ban.

Lack of Navigation Support

Don't assume that users know as much about your site as you do. They always have difficulty finding information, so they need support in the form of a strong sense of structure and place. Start your design with a good understanding of the structure of the information space and communicate this structure explicitly to the user. Provide a site map and let users know where they are and where they can go. Also, you will need a good search feature since even the best navigation support will never be enough.

Non-Standard Link Colors

Links to pages that have not been seen by the user are blue; links to previously seen pages are purple or red. Don't mess with these colors since the ability to understand what links have been followed is one of the few navigational aides that is standard in most web browsers. Consistency is key to teaching users what the link colors mean.

Outdated Information

Budget to hire a web gardener as part of your team. You need somebody to root out the weeds and replant the flowers as the website changes but most people would rather spend their time creating new content than on maintenance. In practice, maintenance is a cheap way of enhancing the content on your website since many old pages keep their relevance and should be linked into the new pages. Of course, some pages are better off being removed completely from the server after their expiration date.

Overly Long Download Times

I am placing this issue last because most people already know about it; not

because it is the least important. Traditional human factors guidelines indicate 10 seconds as the maximum response time before users lose interest. On the web, users have been trained to endure so much suffering that it may be acceptable to increase this limit to 15 seconds for a few pages. Even websites with high-end users need to consider download times: we have found that many of our customers access Sun's website from home computers in the evening because they are too busy to surf the web during working hours. Bandwidth is getting worse, not better, as the Internet adds users faster than the infrastructure can keep up.



Chapter 6

Finding You Through the Search Engines

Quick Thought

“The Internet is the first thing that humanity has built that humanity doesn’t understand, the largest experiment in anarchy that we have ever had.”

Website branding within current advertising is an effective way to gain recognition, but it does not guarantee online success. Statistics show that regardless of what people choose to look at on the Internet, they use a search engine to find it. About 85 percent of American Internet users depend on search engines to find information, including websites. The "Big Four" of the Internet (Google, MSN, AOL and Yahoo) have over 300 million unique visitors using their search engines each month. There is an enormous amount of search engine traffic. Capturing this traffic is simple, and doing so dramatically increases your chance for online success.

Optimizing your website for search engines is the first move to gain traffic, and it complements your current advertising. The classified sections of newspapers are plastered with vehicle dealer ads listing their websites. Only 50 percent of these websites actually work within any search engines, and the other 50 percent do not experience much traffic at all. Considering the cost associated with regular advertising, having your website address work within the search engines is the key to success. This alone will benefit both parties:

the dealership enjoys a reduction in the overall cost per lead, and the consumer finds more accurate results in a shorter period of time.

Currently most auto dealerships rely on third party (cars.com, autobytel.com, etc.) and manufacturer (Ford, Chevrolet, Nissan, Mazda, etc.) lead sources to drive Internet traffic to their sites. There are advantages and disadvantages to using both types of lead sources. Third party Internet lead sources do provide leads, but they also influence third party products, such as creditor insurance and financing. The manufacturer sources provide traffic from customers who are seeking local dealerships for sales and service, but they generally exclude shoppers who are not particularly loyal to the brand.

When using these lead sources, the dealership struggles between having adequate product exposure and gaining a strong local presence. The key to maintaining a healthy balance is to register the website for listing on a search engine. In order to improve rankings on the search engines, the website must be search engine friendly, or "optimized." Websites optimized with the correct focus will drive local traffic and also maintain product exposure.

Create an online marketing campaign

Search engine optimization means creating an online marketing campaign to target search engines for ranking. But for a website to rank well on search engines, body text and META tags must be present on the website. Search engines look for web site body text and compare it with META tags for prominence or focus. META tags are information inserted into the "head" area of web pages, which is not visible to people viewing the websites. The META information communicates with search engines. META tags, for example, can tell a browser what "character set" to use or whether a web page has been self-rated in terms of adult content.

Viewing your META tags

To view your META tags, open your Internet browser and type your website address. When your page appears, select "File" from your navigation bar at the top of your screen and then select "View Source." The source is the HTML (Hypertext Markup Language) code of the web page.

The META tags within your source code, located between "<head>" and "</head>," generally consist of a title, a description, and a series of keywords and phrases. The text used in the title tag is one of the most important factors determining how a search engine ranks the web page. The description tag allows you to influence the

description of your page in the search engines. The keyword tag allows you to provide additional text for certain types of search engines to index along with the body copy.

The purpose of META tags

The sole purpose of META tags is to be found by search engines looking for relevant information for the user. The META tag information on the website must be accurate and current in order to be successful. Each search engine has a unique set of rules, called algorithms, used to determine where a website will rank. These algorithms change periodically, which enables the search engines to provide fresh results to the visitors. When the algorithms change, website rankings change, as well. If the META tags are not managed effectively and updated regularly, all momentum gained in the rankings will be lost.

When you are effective online, you will spend less for Internet leads and sell more inventory in less time. The self-qualified leads from your own website will be searching specifically for your local products.

You must submit your website

Most search engine optimization services provide ongoing registration-submission, META tag management and monthly reporting of the exact search keywords or phrases on the major search engines. The differences in specialization can greatly influence the investment necessary to promote your website. Using a specialist in automotive search engine optimization will keep the low-cost method of advertising truly a low cost. The results are incredible, and the majority of Internet traffic will become Search Engine Traffic.

"What you can MEASURE you can IMPROVE!"



Chapter 7

Internet Technology That's a Must

Quick Thought

"What exactly is the Internet? Basically, it is a global network exchanging digitized data in such a way that any computer, anywhere, that is equipped with a device called a 'modem', can make a noise like a duck choking on a kazoo."

Internet Sales professionals must start with the right tools. To maximize your sales efforts you must have the following:

- **Your own computer(s) with the proper software and the right number of people working it**

Do not expect to share a computer with another department or person. If you are seriously using the Net, it is a full time job. You must also have access to the computer anytime you need it. If you have an Internet Department, everyone must have access with their own email addresses. We have found that in very busy Dealerships (web traffic and leads) that the more reps they have following up and working the hundreds, in some cases thousands of leads coming in each month, the more cars they sell. Many Dealers are not doing as well online because they have one or two people trying to do the follow up and sales work of 5 or 6. One person can only handle so much.

- **Software you must have:**

(This assumes that you already have an Internet Service Provider (ISP) and Windows installed on the computer)

- A good email program with the ability to receive and send email.
- A web browser for surfing the web.
- You should also have a lead tracking and follow-up database.

- **Digital Camera**

If you want to sell more vehicles online you need to email actual photos. Do not send canned responses with come on in, or call me pitches, and expect to do well online. Remember people online are in control of the buying process and if you expect them to do business with you, give them a reason. A good digital camera is about \$400 bucks and they are simple to use. Successful Internet Sales Professionals send both new and used photos to shoppers. Let them know what photos you sent because some online shoppers will not open a photo if they do not know who it came from. If you stand out above the rest online you will bring in more buyers

- **Your own direct phone line and department**

This should be in all your classified ads and your web sites. Remember, when someone calls your main phone number about vehicles they see online they will probably be transferred to Sales and you will never deal with them. Streamline Internet shoppers to you or everyone else will benefit from your hard work.

- **Cooperation and endorsement of Management**

This is one of the biggest obstacles to overcome. Unfortunately there are many managers that absolutely hate the Internet and will do everything in their power to keep it down. To have a successful web program you cannot have people undermining you.

- **A Budget**

Too many Dealerships are putting very little money into their Internet departments. You must have a website that gets good daily traffic, use several buying services, and put your new and used inventory online with actual photos in different

Classifieds. Inventory online with photos and prices brings in buyers. You must keep your inventory updated because people will not come in if the vehicle is sold. If you do not use any online services, or have a good interactive website, you will be sitting on the other side of a blank screen and will not sell very many vehicles using the Internet.

- **Digital pager**

These are great for receiving emails and leads as they come in. No matter where you are, as shoppers email you it will come to your pager and you can even follow-up immediately. If you are the only person at your dealership doing the Internet, it is a must!

- **The willingness to learn**

Do not try to wing it. Get the proper training on both Internet sales and email programs. Learn how to use your computer and it will become a powerful sales tool.

There are many other tools that will help you use the Internet to sell autos, rvs, motorcycles, and boats. The ones we listed above are the most important.



Chapter 8

Internet Leads and Lead Providers

(Lead providers are basically used in the automotive industry, but will become more prevalent in rv, motorcycle and boat in the near future.)

Quick Thought

“The Internet is so big, so powerful and pointless, for some people it is a complete substitute for life.”

Using an online classified advertising company to generate quality vehicle sales leads is smart business. You can reach customers that would never have heard of your dealership otherwise. It's really a simple process. The Internet Lead Provider (ILP) generates a potential customer for your new or used vehicle by forwarding an email inquiry or a telephone call to the dealership. An internet salesperson answers the email or phone call and sets up an appointment for the customer to come and buy the vehicle. Sounds simple, right? All you have to do is reply to an e-mail or answer a “phone-up”. After developing several dealerships Internet departments, I realized that nothing could be further from the truth. There is a lot more to it.

How do I select an internet lead provider?

There's no doubt about it - there are a lot of Internet lead providers out there that promise to connect you with real car buyers. Without knowing these companies inside and out, how do you make a decision on which one, or ones, to go with?

When selecting a provider, you should ask some key questions before making your decision. By digging a little, you'll probably find some valuable information you never considered.

What Does It Cost?

This is probably the first thing you'll ask. Lately, I'm hearing from dealers that are getting offers for free leads. This sounds like a good hook, but we all know there's no such thing as a free lunch. What I wonder is - how can a provider give away free leads, or even inexpensive ones, when the best traffic sources out there sell quality leads to providers at a premium? When a provider comes to you with an initial offer of free leads, be sure to find out about any future costs and set-up fees. And be wary of long-term contractual agreements. Hidden costs and a "locked-in" relationship with a weak lead provider can eat away at your profits per unit sold. Another thing to consider when looking at the costs of a particular lead program is the level of flexibility with the pricing structure. For instance, do they offer cost per lead pricing and/or billing caps?

Flat-rates or Per Lead Pricing – Do the Math

Another thing we're seeing more of in the marketplace is flat rate offers. This might sound like you're getting a deal on leads. With any provider that offers a flat-rate for leads, you need to make sure they can guarantee a minimum number of leads each month so you don't end up paying very high costs per lead, such as \$20-\$30. I have seen some providers that start out supplying dealers leads at a decent volume for a flat rate, and then a few months later they reduce the lead volume dramatically.

What Are Their Average Close Rates?

What goes hand-in-hand with lead price is close rate. Who cares if you get leads at bargain prices if they don't close? A lead provider selling you leads at \$22 each that have an average close rate of 10% or better is far superior to a provider that sells you leads at, say, \$14 each that have a 5% close rate. In the first case, you'd spend \$2,200 to sell 10 vehicles. In the second scenario, you would have to spend \$2,800 to purchase 200 leads in order to sell 10 vehicles. In the end, any ISM would rather talk to fewer prospects than more prospects to sell the same number of vehicles. I believe lead quality is more important than price. Which brings up the next question:

How Do They Guarantee Lead Quality?

There are a lot of so called lead providers out there that are really just websites with traffic. A lead provider needs to be more than a website. The lead business should be their core business. It's worth your while to find out what quality checks the lead provider has in place. Partnering with a lead provider that has a clear technology focus can eliminate a lot of headaches and wasted time on your end. The way the lead provider verifies the authenticity of its leads, prevents duplicates, completes missing information, and delivers them in a timely manner is at the core of lead quality. The best providers couple state-of-the-art technology with real people that back up that technology. It takes real people to email with and telephone consumers who submit those leads in order to ensure they're serious buyers.

Can They Guarantee Lead Volume?

When considering a lead provider, you need to find out what their volume is. Let's face it - you need a steady stream of leads in order to make your sales forecasts, based on the human resources you have available. Lead volume consistency and flexibility is essential. A good provider can deliver both – the amount of leads you need on a consistent basis, month after month, and the flexibility to increase or decrease your volume as needed.

In my experience, only the biggest, most established lead providers, can really offer the kind of reliable volume most dealers need. By contracting with the most established ones, you're most likely to get the majority of leads in your territory with minimal duplication. Another reason it's important to go with providers that can promise you volume is for operational simplicity. Wouldn't you rather just deal with one or two good providers than multiple ones for billing, technical issues, etc.? Most dealers would rather work with two or three lead providers that can offer them 100 leads each than 10 providers that can offer only 20 leads each.

What About Territory?

Part and parcel with lead volume is territory. The ideal situation is a high volume of leads from a close radius – better 100 leads from a 25-mile radius than a 75-mile one. The closer the lead is to where you are, the more likely they will be to buy from you. Some lead providers may make promises on volume but deliver leads to you from out of your desired territory – or even out of state.

Who Are Their Traffic Partners?

Recently, I've heard that some providers are telling dealers they supply "all" or "90%" of the leads that another provider is simply re-selling to you. Their pitch is that they're eliminating a middle man. This is why the biggest lead aggregators are so important – they have a rich, diversified source of leads on the web and have good relationships with multiple traffic partners. If a smaller website company represents themselves as the sole provider or major source of leads for one of the big guys, they're giving you a groundless sales pitch.

Are They Known for Good Customer Service?

Finally, you should ask yourself – are these people I can work with? Because vehicle dealers know how important customer service is, you should demand this from your lead provider. Knowing your rep or account manager at your provider on a first name basis can really keep your sales process flowing smoothly. A good way to find out if the lead provider is top notch is to find out who else uses them and ask for references. Can they count large dealer groups as their clients? Can they provide references from dealers representing different franchises in any given market across the country? Is the rep you'll be working with proactive about calling you and available when you need them? Finally, do they understand your business and what you do every day?

In the end, a good lead provider should make your job easier... and a lot more lucrative.

Who are some lead services that prospects visit?

- carpoint.com - <http://autos.msn.com/>
- car.com - <http://www.car.com>
- cars.com - <http://www.cars.com/go/index.jsp?aff=national>
- autotrader.com - <http://www.autotrader.com/>
- autoweb.com - <http://www.autoweb.com/>
- ebaymotors.com - <http://www.ebaymotors.com>
- autobytel.com - <http://www.autobytel.com>
- carsdirect.com - <http://www.carsdirect.com/home>
- autos.yahoo.com - <http://www.autos.yahoo.com/>
- carsmart.com - <http://www.carsmart.com/>
- imotors.com - <http://www.imotors.com/>
- autovantage.com - <http://www.autovantage.com/>
- autousaa.com - <http://www.autousa.com/>



Chapter 9

The Internet Customer

Quick Thought

"The Internet is clearly about more than sports scores and email now. It is a place where we can conduct our democracy and get very large amounts of data to very large numbers of people."

To effectively sell online customers you must first understand who they are, and how they are changing the Traditional Vehicle Sales process.

Armed with a computer, an Internet connection, a comfortable place to sit, and plenty of information about you and your competitors products available 24 hours a day, 7 days a week, the online car shopper is in control of the buying process and can easily remove you with one click.

A common perception among Internet shoppers is that there are better deals on the Internet compared to just walking on your lot. In reality, the biggest difference is that the Internet shopper has access to loads of information about blue book values, and invoice prices that several years ago were hard to find. This shopper will usually want a better deal primarily because they possess that information. Compare the traditional "hit the streets and shop until you drop" buyer with the Internet vehicle shopper that does most of his pre-shopping online, gathering information, and will already have a deal before leaving the house.

What are some of the biggest complaints customers have about shopping online?

Even though the internet is still considered new in the technological arena, more people are using it to do some of their shopping, especially for a vehicle. They can read the reviews, search for the vehicle of their choice, visit different dealerships, check pricing and financing, and look at photos all from the comfort of their home or office. Though the research is still fun for many internet shoppers, problems begin arising once they approach the next steps.

Here are the top five complaints from online shoppers:

- **Nobody bothered to get back to me at all**

Not responding with price quotes, inquiries about vehicles online, etc., is still the number one complaint. Even a lame canned letter is better than no response at all. In many cases, sales reps do not answer leads unless there is a phone number. The top internet sales reps are email pros and use it as their primary response tool. So if you want to increase your internet sales, this is the first place to start.

- **They would not answer my questions or give me a price**

Some managers will not let their salespeople give real prices. Some dealers are emailing back MSRP and then don't know why they are receiving little feedback. If you'll give them a fair price, be professional and prompt, the results you receive will be immediate.

- **Their email response was just a canned letter that was useless**

If an internet shopper asks for something specific, a vehicle-finder lead, a new vehicle price quote, or pricing questions or any kind, and you send them back a canned response, it really upsets them. Usually the reason dealers use canned responses is because they don't have the time to respond to every lead. Even if their first response is an autoresponder, make sure you put some valuable information they can use, like current rebates, until you can respond with the exact information they need.

- **Nothing of any value on the website**

Your website is not merely an advertising venue, but also a sales tool. When

an internet shopper visits your site, they are wanting a little sizzle, not in the form of flashiness, but in meat. If you really want to turn people off, don't put prices on your used vehicles, or your current rebates and specials. The shopper will just go to the next site until they find what they need.

- **Salespeople at the dealership ignored all the information I had and were using the same old high-pressure tactics**

Many shoppers are not going to call you or drive down to see you for a price. These shoppers want ease of sale and information, and they'd like email to be their primary source of communication. Developing relationships by providing them with accurate information will bring in buyers. If they come in with printouts, you must be willing to deal with them on their terms, making it easy for them to do business with you.

Listening to what your customer wants will help you develop your business plan based on customer needs, not necessarily dealership needs.

The Click 'N' Order vs Click 'N' Brick vs Brick 'N' Mortar Customer

For the longest time, customers purchased items in one of two ways: either by walking into a store or mail ordering from a catalog. Well, in many cases, the store is still there, but the mail order catalog is slowly being replaced by the Internet. It's less costly and can be updated more frequently by providing this information on the web, then having our poor mail carriers lug these heavy catalogs around, and reproduce them with the high cost of printing and stamps.

So, to help you understand where your customer future lies in relationship to the Internet, I've placed customers into three main categories, and attempted to provide a description of each.

Click 'N' Order Customers

Click 'N' Order customers usually purchase items based on price, information, and service. A dealership appealing to Click 'N' Order customers usually needs to provide all three or be so superior in one facet, like offering special internet pricing, that they don't mind less concentration on the other two factors. In reality, many people don't expect to necessarily save money by shopping online, especially by the time shipping costs are factored into the final price. They do expect value-added sellers, and they love buying from the comforts of their

home. For example, auto dealerships that have online parts and accessory pages on their websites provide a great deal of information, selection, and customer service through their website, and this can appeal to many Click 'N' Order customers. Click 'N' Order customers expect their online experience to be fast and extensive, painless, with more options than Brick 'N' Mortar. If there are any problems with their online experience, they can immediately click away to another website. In a few words, Click 'N' Order customers expect speed, flexibility, and options — they are generally very savvy shoppers. Plus, they just have a lot of fun buying things in their pajamas and having them delivered directly to their front door in just a matter of days.

Click 'N' Brick Customers

The Click 'N' Brick customer is on the way to becoming a Click 'N' Order customer, but hasn't reached the point of feeling comfortable doing financial transactions online. Though they find the Internet exciting and spend a lot of time surfing the web, they feel that putting a credit card online is unsafe. But they do love doing a lot of research to determine what and where to buy. The Click 'N' Brick customer will gather all the information on the vehicle of choice, print it out, and take it right to the dealership to begin the buying and negotiating process. It's this fact alone that makes the Click 'N' Brick customer feel more special than the Brick 'N' Mortar Customer when they come into your dealership. They just know more and feel they have the upper hand when it comes to buying the vehicle. It used to be that salespeople hated to see these customers come into the dealership (like with their Consumer Reports) since they were more knowledgeable with facts and figures than the typical Brick 'N' Mortar customer. Sometimes they may even know more about the features of the vehicle and its competition than the salesperson (which isn't a good thing!)

Brick 'N' Mortar Customer

Brick 'N' Mortar customers are a slightly different breed. They may not know how to search the internet, or may not even have a computer yet. If they do have a computer, they're afraid to use it. They can and will take more time enjoying the "shopping experience." A Brick 'N' Mortar customer is not as likely to leave a dealership because there are a lot of customers in the showroom, as an Internet customer will click off your site if they don't like the experience. A Brick 'N' Mortar customer at ABC Motors can't search 10 other dealerships in 10 other states just to verify that ABC Motors has the lowest price while they are in the showroom. Once a Brick 'N' Mortar customer receives personalized attention, it is likely they will come back to the same place again. Brick 'N' Mortar customers like to "touch and feel" and are more likely to pick up parts and accessories they didn't originally intend to purchase when they left home.

The descriptions for each might not be totally accurate with every customer, but I think you can see that there are differences with each, and they each have their own idea on how to shop. Since you already have a process in place for the Brick 'N' Mortar customer, it's time to begin concentrating on the other two for increasing your future Internet sales.



Chapter 10

Developing an Internet Business Plan

Quick Thought

"There's a statistical theory that if you gave a million monkeys typewriters and set them to work, they'd eventually come up with the complete works of Shakespeare. Thanks to the Internet, we now know this isn't true."

Do you have a business plan for your internet department? I would venture to say that you don't. Without a plan, how can you ever tell if you're succeeding if you don't know what you are measuring against?

The way most dealerships run their internet departments would be like a football team that randomly assigns players to their positions, rarely hold practices or meetings, has a team where no one knows the rules and have no playbook to study, has no coach, their equipment is old, and the front office doesn't spend a dime to market the team. This team will probably make very few touchdowns, on top of making the SuperBowl.

Unfortunately this is how many dealerships around the country, whether their dealerships are large or small run their internet departments - on a wing and a prayer.

The internet department needs to be run like a separate entity, and not considered as part of the typical sales process. The internet sales runs contrary to the traditional selling

process, therefore needs a totally different business plan than you would create for the new or used vehicle departments.

So, before you jump head first into increasing sales within your department, let's take a look at some areas you should consider when writing your business plan:

- Define what you want to accomplish on the internet
 - do you want to just sell new and used vehicles?
 - do you want all your inventory online?
 - do you want to offer online credit approval?
 - do you want to sell parts and accessories?
 - do you want to offer service scheduling?
 - do you want shoppers to be able to contact you directly?

These are just some of the areas you'll want to consider. There are plenty more, but you'll want to keep your initial plan simple so you won't become overwhelmed.

- **What information do you want to provide on the internet?**

Now that you know you want to sell new and used vehicles over the internet, ask yourself some questions like: do you want to show MSRP, Invoice, e-Prices, rebates, mark-ups? You will need to do this for every area you identify that your dealership desires to incorporate into the online system.

- **Identify your staff**

Really try to understand what the staff will be responsible for, and what knowledge and traits they must possess or acquire through training. You may have some talent in-house that may fit your requirements, they may need to be professionally trained to the best internet practices, or you may have to consider hiring from the outside. I like the department to have both salespeople and a manager. Management is crucial to make sure the department runs smoothly and goals are attained.

- **Identify the tools you'll need to facilitate your plan**

- website technology
- email lead management tools
- hosting for your website

- types of reports
- computers
- logistics

- **Layout a comprehensive cashflow statement**

- salaries
- commissions
- hosting
- lead sources
- advertising
- training
- gross on vehicles, parts and service

- **Layout a comprehensive timeline**

Review your goals and milestones on a weekly basis. This includes number of desired sales, grosses, appointment set vs sales made, etc.

If implemented correctly, a good internet department can easily add \$30,000+ of additional profit to the bottom line in a normal dealership. So, run your department like a business and you'll see more sales than you ever imagined.

Business Planning Survey

General

- How long have you been doing internet sales? _____
- Why do you have an internet department? _____

- Why don't you have an internet department? _____

- How many salespeople do you have in your internet department? _____
- How many leads do you get from your website? _____
- How many leads do you get from lead providers? _____
- What is your average sales per month? _____
- What is your internet department appointment closing ratio? _____
- What is your internet department sales closing ratio? _____
- What is your front-end profit average? _____
- What is your back-end profit average? _____
- What did you envision your internet department doing for your dealership? _____

- What is your philosophy for running your internet department? _____

- Where would you like your internet department to go from here? _____

Business Planning and Tracking

- Does your internet department have a written business plan? Yes No ????
- Are sales and profit goals attached to your business plan? Yes No ????
- Is your business plan reviewed occasionally? Yes No ????
- Was management involved in creating the business plan? Yes No ????
- Do you feel you run your internet department like a business? Yes No ????
- Is your internet department a separate entity from the sales department? Yes No ????

Business Planning Survey

Internet Staff

- How many people do you have in your internet department? _____
- Did you hire your staff specifically for internet? Yes No ? ? ? ?
- What qualities did you look for in hiring an internet staff?

- Did your internet staff get specific internet training? Yes No ? ? ? ?
- Does your internet staff meet daily to discuss current business? Yes No ? ? ? ?
- Does your internet department write weekly reports? Yes No ? ? ? ?
- Do your internet salespeople have excellent phone skills? Yes No ? ? ? ?
- Do you pass out leads to the salespeople? Yes No ? ? ? ?
- Do you monitor the leads you pass out to the salespeople? Yes No ? ? ? ?

Website

- Is your website informational or selling? Yes No ? ? ? ?
- Is your website optimized for search engines? Yes No ? ? ? ?
- Is your website easy to navigate? Yes No ? ? ? ?
- Do you monitor your traffic daily? Yes No ? ? ? ?
- Do you know what keywords your visitors use? Yes No ? ? ? ?
- Is your web address on all printed materials? Yes No ? ? ? ?
- Do you advertise your web address in the newspaper? Yes No ? ? ? ?
- Do you advertise your web address on licence frames? Yes No ? ? ? ?
- Does your receptionist know your web address? Yes No ? ? ? ?
- Do you have Flash or music on your website? Yes No ? ? ? ?
- Do you use frames on your website? Yes No ? ? ? ?
- Do you offer specials on your website? Yes No ? ? ? ?
- Do you have a credit app on your website? Yes No ? ? ? ?
- Do you give prices and rebates on your website? Yes No ? ? ? ?
- Do you give prices over the phone? Yes No ? ? ? ?

Emails, Autoresponders and Templates

- Do you have email templates created for all sales situations? Yes No ? ? ? ?
- Does your prospect receive an autoresponder email? Yes No ? ? ? ?
- How many emails do you send to each prospect? _____
- Do you send email to every prospect? Yes No ? ? ? ?
- Do you have a follow-up schedule to send emails? Yes No ? ? ? ?
- Can you briefly explain your follow-up system? Yes No ? ? ? ?

-
-
-
- Do all salespeople have their own email addresses? Yes No ? ? ? ?
 - Does your receptionist know all the email addresses? Yes No ? ? ? ?
 - Do you have all email addresses on your website? Yes No ? ? ? ?

Service and Parts

- Have service and parts managers showed interest in the internet? Yes No ? ? ? ?
- Do you put service and parts specials on the internet? Yes No ? ? ? ?
- Do you have e-commerce capabilities to purchase parts online? Yes No ? ? ? ?
- Can customers schedule service appointments on your website? Yes No ? ? ? ?
- Are service and parts departments involved in planning sessions? Yes No ? ? ? ?

Marketing

- Do you have a branded slogan for your internet website? Yes No ? ? ? ?
- Do you do direct email marketing? Yes No ? ? ? ?
- Do you create a monthly email newsletter? Yes No ? ? ? ?

Technology

- Do you have a dedicated phone line for the internet department? Yes No ? ? ? ?
- Does each salesperson have his/her own computer? Yes No ? ? ? ?
- Do you have high-speed internet access? Yes No ? ? ? ?
- Do your internet salespeople have text messaging cell phones? Yes No ? ? ? ?

Business Planning Agenda

Now that you've finished taking the survey, create a list of things you'll need to concentrate on in each area. Make copies of this sheet and distribute it to your internet developing staff.

General

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Business Planning and Tracking

- _____
- _____
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- _____

Internet Staff

- _____
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- _____

Business Planning Agenda

Now that you've finished taking the survey, create a list of things you'll need to concentrate on in each area. Make copies of this sheet and distribute it to your internet developing staff.

Web Site

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Emails, Autoresponders and Templates

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Service and Parts

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Business Planning Agenda

Now that you've finished taking the survey, create a list of things you'll need to concentrate on in each area. Make copies of this sheet and distribute it to your internet developing staff.

Marketing

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Technology

- _____
- _____
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- _____

Other

- _____
- _____
- _____
- _____
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- _____
- _____



Chapter 11

Internet Department Tracking Worksheets

Quick Thought

“I always find that statistics are hard to swallow and impossible to digest. The only one I can ever remember is that if all the people who go to sleep in church were laid end to end they would be a lot more comfortable.”

An important phase of executing a successful business plan is to have a system in place that will find out how successful your internet department is. Tracking can effectively do this. It will tell you if any part of your process is not as effective as it should be and what needs to be done to rectify the problem areas. Tracking will assist in understanding your department better, and what changes need to be made in order to reach your goals.

The objectives of your statistical tracking must be clear at the outset. The areas that I feel are important for a successful internet department are:

- Number of leads
- Number of leads to appointments
- Number of appointments to sales
- Final cost per lead
- Gross profit per vehicle sold
- Net profit

Look at some of the examples to follow and develop your reports for maximum understanding of your department.

Summary for Month of June , 2007

(Example based on an auto dealership)

• Total New Vehicle Sales:	18	
• Gross Profit from New Vehicle Sales:		+ \$ <u>32468.00</u>
• Total Used Vehicle Sales:	32	
• Gross Profit from Used Vehicle Sales:		+ \$ <u>112321.00</u>
• Total New and Used Vehicle Sales:	50	
• Total Gross Profit from All Vehicle Sales:		= \$ <u>144789.00</u>

• Lead Providers: # of Leads Apts. Showed Sales Lead Expense

<u>AutoUSA</u>	176	85	30	14	\$3256.00
<u>Dealix</u>	158	70	43	10	\$1305.00
<u>LMCC</u>	55	26	14	1	\$
<u>AutoTrader (new)</u>	10	1	0	0	\$2000.00
<u>AutoTrader (used)</u>	57	37	27	20	\$5000.00
<u>Cars.com</u>	55	10	3	0	\$
<u>Website</u>	36	26	15	5	\$
Totals:	547	255	132	50	\$11561.00

• Closing Ratios:	46%	52%	38%		- \$ <u>11561.00</u>
• Website Hosting Expense:					- \$ <u>14.50</u>
• Lead Management Program Expense:					- \$ <u>399.00</u>
• Other Internet Department Expenses:					
<u>Classified Ad</u>					- \$ <u>700.00</u>
_____					- \$ _____
_____					- \$ _____
• Total Commissions Paid:					- \$ <u>41000.00</u>
• Total Salaries Paid (including phone personnel and Manager):					- \$ <u>10000.00</u>
Net Profit:					= \$ <u>81114.50</u>

Summary for Month of _____, 20____

- Total New Vehicle Sales: _____
- Gross Profit from New Vehicle Sales: _____ + \$ _____

- Total Used Vehicle Sales: _____
- Gross Profit from Used Vehicle Sales: _____ + \$ _____

- Total New and Used Vehicle Sales: _____

- Total Gross Profit from All Vehicle Sales: _____ = \$ _____

• Lead Providers: # of Leads Apts. Showed Sales Lead Expense

_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____
Totals:	_____	_____	_____	_____	\$ _____

- Closing Ratios: _____ - \$ _____

- Website Hosting Expense: _____ - \$ _____

- Lead Management Program Expense: _____ - \$ _____

- Other Internet Department Expenses:
 - _____ - \$ _____
 - _____ - \$ _____
 - _____ - \$ _____

- Total Commissions Paid: _____ - \$ _____

- Total Salaries Paid (including phone personnel and Manager): _____ - \$ _____

- Net Profit:** = \$ _____



Chapter 12

Job Descriptions

Quick Thought

“The way we communicate with others ultimately determines the quality of our work.”

Effectively developed, job descriptions are communication tools that are significant in your internet department’s success. Poorly written job descriptions, on the other hand, add to confusion, hurt communication, and make people feel as if they don’t know what is expected from them.

Job descriptions are written statements that describe the duties, responsibilities, required qualifications, and reporting relationships of a particular job. Job descriptions are based on objective information obtained through job analysis, an understanding of the competencies and skills required to accomplish needed tasks, and the needs of the internet department to produce work.

Job descriptions clearly identify and spell out the responsibilities of a specific job. Job descriptions also include information about working conditions, tools, equipment used, knowledge and skills needed, and relationships with other positions.

The following pages are job descriptions you can use, or as samples to create your own.

Job Description Directions

Job Title: Internet Appointment Coordinator

Department: Internet Department

Functions:

- Make a list that includes:
 - the primary purpose of the job
 - the overall general responsibility of the job
 - the objectives of the job

Relationships:

- Nearly all positions are responsible to a higher level for authority and many also have subordinate positions for which they are responsible. Under "Relationships" include:
 - who will this person report to within the dealership
 - who are the key relationships this individual has with other positions

Responsibilities:

- List the responsibilities that this individual will have in the internet department
 - once you complete your list, sequence them in order of importance

Accountability:

- Develop standards for holding this person responsible for achieving results.
The standards should be:
 - specific — measurable — time oriented — achievable
 - the same for every person in the job

OBJECTIVES

- Tailored to the individual based on his or her experience, skills and capabilities
- Negotiated with the employee
- Are more acceptable to the employee when a range is provided (ie: minimum acceptable)

STANDARDS

- The same for every employee in the job classification regardless of individual skills, abilities and experience.
- Non-negotiable
- Are the minimum acceptable performance level for all employees in the job classification

Job Description

Job Title: Internet Appointment Coordinator

Department: Internet Department

Functions:

1. Provides appointments to the internet salespeople.
2. Manages the daily activities of the internet department.

Relationships:

1. Reports directly to the General Manager
2. Supervises the internet salespeople

Responsibilities:

- **Become familiar with the product**
Though the appointment coordinator position does not require sales related activity, it's important for this individual to have a basic product knowledge to answer any simple questions that may arise.
- **Call all incoming leads**
The appointment coordinator will make the initial phone call, and all subsequent follow-up calls to all leads that come in on a daily basis. From this point, either an appointment will be made, the call will be transferred to a salesperson to answer any product questions, or an email will be sent
- **Maintain the database**
All leads will be placed in a contact management database and updated accordingly. From this database the appointment coordinator will send all follow-up emails and direct marketing newsletters.
- **Write emails, phone scripts and develop email and newsletter templates**
The appointment coordinator will be responsible to write and develop all correspondence to the internet customer to include emails, phone scripts and email templates.

Job Description

Responsibilities (cont):

- **Daily meetings**
The appointment coordinator will be responsible to meet with all salespeople handling internet leads each morning to discuss the previous days business.
- **Develop goals and action plans for the internet department**
The internet coordinator, along with the internet sales staff will be responsible for setting personal and departmental goals and action plans for reaching those goals.
- **Write weekly and monthly reports**
The internet coordinator will be responsible to write production reports and submit them directly to the General Manager.

Job Description Directions

Job Title: Internet Salesperson

Department: Internet Department

Functions:

- Make a list that includes:
 - the primary purpose of the job
 - the overall general responsibility of the job
 - the objectives of the job

Relationships:

- Nearly all positions are responsible to a higher level for authority and many also have subordinate positions for which they are responsible. Under “Relationships” include:
 - who will this person report to within the dealership
 - who are the key relationships this individual has with other positions

Responsibilities:

- List the responsibilities that this individual will have in the internet department
 - once you complete your list, sequence them in order of importance

Accountability:

- Develop standards for holding this person responsible for achieving results.
The standards should be:
 - specific — measurable — time oriented — achievable
 - the same for every person in the job

OBJECTIVES

- Tailored to the individual based on his or her experience, skills and capabilities
- Negotiated with the employee
- Are more acceptable to the employee when a range is provided (ie: minimum acceptable)

STANDARDS

- The same for every employee in the job classification regardless of individual skills, abilities and experience.
- Non-negotiable
- Are the minimum acceptable performance level for all employees in the job classification

Job Description

Job Title: Internet Salesperson

Department: Internet Department

Functions:

1. Act as the principle contact between the internet customer and the internet department.
2. Provide customer satisfaction and maximize internet department sales of new and used vehicles.

Relationships:

1. Reports directly to the Internet Sales Manager
2. Supervises no one
3. Maintains close working relationships with the Internet Sales Manager, Internet Appointment Coordinator, New and Used Vehicle Sales Managers, F&I Manager, and New and Used Vehicle Prep Manager.

Responsibilities:

- **Become proficient at internet selling and have an understanding of the internet customer**

Internet selling is different than showroom selling. The internet salesperson needs to be more proficient at phone skills, writing skills, love computers and the internet, and can close an appointment over the phone.

- **Develop a follow-up and organizational system**

The average internet customer may take 4-6 weeks to make a decision to purchase. Therefore the internet salesperson needs to develop exceptional follow-up skills, and have an organizational system that will maximize his/her chances of keeping in touch with the prospect.

- **Maintain an average sales volume and gross profit according to department standards**

Average is actually never good enough for the professional salesperson. He/she will always strive to make continuous increases throughout the year.

Job Description

Responsibilities (cont):

- **Continue learning your trade**
Professional salespeople never stop learning new ways to perform their duties. It keeps them motivated and fresh, always willing to try new techniques and improve the ones they currently use.
- **Perform a proper selling presentation with all internet customers**
Successful internet salespeople do not shortcut the process. Once an appointment is made, they perform a complete presentation and close the sale.
- **Become aware of your competition**
This means researching their websites to see how they price their vehicles, seeing the way they market their internet departments through print and media advertising, and how they run their internet departments.
- **Establish a good working relationship with all other departments**
Every department needs every other department in order to have a successful dealership. It's important that you form good relationships with all departments so your selling process runs smooth.
- **Complete all sales documents completely, accurately and promptly and submit to office**
Professionalism demands that you become strong at completing all paperwork. There is nothing worse than having a customer come back into the dealership to re-sign contracts.
- **Develop a repeat and referral business**
Selling an internet lead is great for paying bills this month. But the professional salesperson knows that the long-term approach to internet selling is to develop a clientele, then nurture that business over the years to earn repeat and referral business.
- **Set goals and develop a plan of action**
Professional salespeople do not run their business by "pot-luck", or "whatever happens, happens". They set measurable, achievable goals, then develops a plan of attack to reach those goals.
- **Create productive emails**
Much of your business will be done by email, both in the selling phase and the follow-up phase. It becomes important for you to learn how to write well, and continuously rework your emails until you achieve your desired results.

Job Description Directions

Job Title: Internet Sales Manager

Department: Internet Department

Functions:

- Make a list that includes:
 - the primary purpose of the job
 - the overall general responsibility of the job
 - the objectives of the job

Relationships:

- Nearly all positions are responsible to a higher level for authority and many also have subordinate positions for which they are responsible. Under “Relationships” include:
 - who will this person report to within the dealership
 - who are the key relationships this individual has with other positions

Responsibilities:

- List the responsibilities that this individual will have in the internet department
 - once you complete your list, sequence them in order of importance

Accountability:

- Develop standards for holding this person responsible for achieving results. The standards should be:
 - specific — measurable — time oriented — achievable

OBJECTIVES

- Tailored to the individual based on his or her experience, skills and capabilities
- Negotiated with the employee
- Are more acceptable to the employee when a range is provided (ie: minimum acceptable)

STANDARDS

- The same for every employee in the job classification regardless of individual skills, abilities and experience.
- Non-negotiable
- Are the minimum acceptable performance level for all employees in the job classification

Job Description

Job Title: Internet Sales Manager

Department: Internet Department

Functions:

1. Act as the manager of the internet department
2. Responsible for the sales of new and used vehicles through the internet department
3. Provide and ensure customer satisfaction
4. Contribute to dealership profitability

Relationships:

1. Reports to the Owner, General Manager or General Sales Manager
2. Supervises all personnel within the internet department
3. Maintains relationships with the New and Used Vehicle Sales Managers
4. Supervises showroom salespeople when handling internet leads

Responsibilities:

- **Hold daily meetings to review the previous days business**
Since the success of any department is determined by closely monitoring the daily activity, it's important that the manager know what is happening with each and every lead and appointment, and recommend ways to put deals together.
- **Recruit, hire, train and motivate internet employees**
Keeping a well-educated, motivated staff is vital for sustained productivity. If training and motivation do not help in making the internet department profitable, it becomes necessary to recruit and hire new employees. The manager should always be looking for professional employees to build the department.

- **Develop and maintain weekly and monthly reports**

These should include:

- number of leads and where they originated from
- individual results for each salesperson and appointment coordinator
- gross sales and profit
- net profit after expenses
- total expenses for the internet department
- closing ratios for each salesperson
- total new and used vehicle sales

- **Responsible for increases in sales and profits within the internet department**

This would include developing a marketing strategy to insure an adequate number of leads from lead providers, as well as assorted media and website. Also training the sales staff to maximize appointment and closing ratios

- **Set goals and develop action plans for the staff and department**

In order for the department to be successful, you need to know what to expect from each of your employees. They need to buy-in to the success of the department, and become accountable for its success.

- **Update website and email templates**

This can either be done by the manager or the webmaster. It would be advantageous to have someone in the dealership who is proficient at web design and development so changes can take place immediately.

- **Write deals**

If your dealership works a desk system, the manager would be responsible to write all deals. If each salesperson has the responsibility to write their own deals, the manager would then be responsible to check all deals for accuracy before the customer leaves.

- **Work closely with internet vendors and lead providers**

The manager will negotiate the price of leads with all providers, and submit bad leads for refunds.

- **Distribute leads**

The manager will distribute leads to each salesperson accordingly, and make sure that each lead is given the maximum attention.

- **Attend required Manager meetings**

The manager will attend all manager meetings and submit projections toward the total profitability of the dealership.

- **Developing a budget**

The manager will develop a budget for all operating expenses within the department, and adjust the budget accordingly for continued growth.



Chapter 13

Choosing an Internet Staff

Quick Thought

“The Internet is a telephone system that’s gotten uppity.”

There’s a difference between passing out some internet leads to the sales staff and developing a full-fledged internet department. In many dealerships, the manager will check the email inbox for leads whenever he/she has time, pass them out to whichever salespeople are available, and never monitor their success. This is simply a waste of time, money and resources. For a dealership to be successful with online selling, the right people need to be placed in the right positions.

What types of salespeople are succeeding in online selling?

I’ve always felt that outstanding internet salespeople are different from typical showroom salespeople. The internet salesperson feels very comfortable selling on the phone, and has an above average knowledge of email, the internet, and the internet customer. These salespeople research other websites to compare against, develop solid plans for building their department, consistently learn new up-to-date

techniques, and have a solid work ethic. They believe that the internet prospect is different than the traditional showroom customer, and treats them accordingly. They also understand that the process for providing them information through email and over the phone is different than having the prospect sitting across from them.

Here are several reasons why these individuals have success selling vehicles online:

- **They use email as a major means of communication**

Internet salespeople do not require a phone number before they respond to an internet lead. They realize that if they do not answer “email only” leads and inquiries, they will lose over 40% of their potential sales. This is known as “cherry-picking”. Most internet prospects will provide you with a phone number which gives your permission to contact them by phone. They have already received an initial email from you (autoresponder) so the next communication should be by phone. Emails will continue to the prospect in the form of newsletters and special offers.

- **They have excellent phone skills**

Though the internet customer enjoys the process of doing research on the internet and communicating by email, they still prefer to speak with someone regarding their vehicle purchase. Phone technique then becomes a major part of setting appointments for the prospect to view their vehicle, and ultimately buy.

- **The internet sales position is a full-time job**

Successful internet salespeople spend at least 4-6 hours daily online responding to leads and following-up with current and future customers by phone. All successful internet salespeople respond between 5 minutes to 1 hour of receiving a lead. They answer every lead and give direct answers to specific questions. They have outstanding follow-up skills and keep a running database.

- **They avoid canned responses**

Successful internet salespeople answer each lead as an individual response giving fair prices and accurate information. In order to answer all their leads, they must have time. A canned response doesn't work. It is the easy way to handle leads, but does not address the needs of the shopper. The only canned response they should receive is the autoresponder, which will still give them valuable information to

review until you can respond to their request by email or phone. If you ignore an online shoppers request, he/she will ignore you.

- **They use numerous lead provider services and provide shoppers with their inventory**

Every good online sales rep welcomes leads. It is a numbers game and if they don't have access to hundreds of leads monthly, they will not sell enough to keep the internet program running.

- **They have the backing of management and the resources they need to sell vehicles online**

Successful internet salespeople understand that the online shopper already has a lot of information about your products and what they cost. They understand that the online shopper wants to be in control of the buying process and will go out of their way to provide the shopper with whatever they need. If there are Managers or co workers working against the internet program at your dealership, you will lose good internet sales professionals to your competitors. The biggest reason most internet programs fail is because they have the wrong people running it.

If you'll take these ideas to heart, you will begin developing a department you can be proud to call your own.

- **What should the qualifications and duties of the internet salespeople be?**

The internet salesperson must know how to use a computer, email programs and lead provider organizers. The main thing to stress is that traditional sales techniques do not work online. A common mistake at many dealers is to assign the Internet to a floor salesperson and then not train them properly. If you are selling vehicles online the traditional way, you are losing sales. Discard the traditional techniques when dealing with online shoppers. The internet buyer is in control and wants to stay that way.

You want reps that are open-minded, literate (most communication is by email), and have good follow-up skills. They must be willing to work numerous leads without cherry picking (taking only the lead they feel will buy), and be willing to go outside and shoot photos of your inventory to email back to online customers and upload to the website. If your dealership is just receiving leads and handing them out with no system, you will not succeed online. You want people that will do whatever is necessary to make their department successful.

- **How many Internet sales reps should I have**

How many leads do you get each month from lead providers? How big is your dealership? Are you selling new and used online? What kind of traffic does your website receive? These are factors that determine whether you need one or two people or an all out department. Many dealers started out with one person and evolved. The bottom line is that if you have hundreds of leads coming in monthly, the more reps working them the more vehicles you will sell. Do not expect one person to handle the entire program if you are receiving a lot of traffic. They will sell vehicles, but not as many as several reps would and many leads will go unanswered. The average production should be 80 leads per internet salesperson.

You want to hire people that will be there for a long time. We have seen too many dealers invest time into their Internet program only to lose the sales rep for many different reasons. Good people are hard to find and many dealers are now realizing the importance of the Internet and are recruiting good reps from other dealerships.

If you are an Internet sales professional or are learning to be one, it is very important that you choose a dealership that is seriously moving towards the Internet. If you get into a place where the Internet is just so much lip service, you may not get the cooperation and attention you need to succeed. There are now many dealers looking for good reps (we receive emails all of the time) so keep your eyes open. Those of you learning online skills stay with it, you are in great demand. Learn how to use email effectively and you will be very happy with the results.

- **Can a salesperson also act as the manager?**

If it's a small dealership, or a dealership that wants to start slowly, then yes, the salesperson can also act as the manager. But once you decide that you want a full-fledged internet department with 3 or more salespeople, I feel it's imperative to have a manager who is separate from the showroom manager. The manager then will be exempt from selling, but instead will provide the following services:

- develop monthly quotas
- conduct daily department sales meetings
- distribute and follow-up with leads
- assist in writing deals and closing sales
- update the website with information and pictures
- help with writing autoresponders and newsletters
- work closely with the used vehicle manager
- write monthly reports

With all of these responsibilities, I think you can see how valuable an excellent manager can be in developing the internet department.

- **We have several dealerships. Can we run them from one site?**

With internet and networking technology, you could conceivably run all your dealerships from one site. This is assuming you will have all your internet leads coming into one site, and they will either be distributed to the corresponding dealerships, or handled by a BDC (Business Development Center), where telephone experts would be responsible to contact the leads, set the appointments, then distribute them to the appropriate dealership. Whether you have each store handle their own leads or one department handle all the leads, each dealership should still have an internet department with dedicated salespeople and managers.



Chapter 14

The Power of Email

Quick Thought

“One of the Internet’s strengths is its ability to help consumers find the right needle in a digital haystack of data.”

The number one reason people log on to the internet is to send and receive email. The number two reason is to do research. Ignore the importance of a solid email strategy and you will fail on the internet.

The most important and often overlooked aspect to being successful on the internet is the power of email. Email is the most powerful application on the internet, and for good reason. When used properly it can communicate “one to one” to prospects with speed and reliability.

Research has found that sales reps effectively selling vehicles using the internet have email capabilities and are following-up on every lead. Dealers relying solely on the phone for follow-up are not even close in sales, because they are ignoring the numerous “email only” prospects. This doesn’t mean I don’t believe that phone follow-up isn’t effective, because I do. In fact, it can vary dramatically depending on certain areas and parts of the country whether email or phone follow-up is the most effective. I still feel that if your prospect provides a phone number in the lead, that’s giving you permission to call, and

you should - quickly.

The number one reason sales reps give as to why they don't follow-up on every lead they get is, "I just don't have the time." Top internet sales reps spend 4-6 hours every day online. If you are doing this business part-time, you will not do as well. Remember, the internet sales business is a business, and should be run like a business. It should not just be considered an addendum to the sales department. It should be a separate department.

Electronic communication, because of its speed and broadcasting ability, is fundamentally different from paper-based communication. Because the turnaround time can be so fast, email is more conversational than traditional mail 'snail mail' (mail that requires a stamp). With email documents, the shopper can ask questions immediately. Email thus tends, like conversational speech, to be much sloppier and more ambiguous. You will find that very few people when sending email are sticklers on proper grammar.

Some tips you can use to help make your email efforts more productive include:

Always hit the return button twice between paragraphs

This creates an imaginary line and makes reading much easier. Nobody likes to read straight text with no breaks.

DO NOT USE ALL CAPITAL LETTERS

Capitals look like you are shouting, and many people will become aggravated and disregard your message.

Follow-up immediately

If you are receiving the leads online, follow-up with 5 - 60 minutes if at all possible. If your leads are sitting for several days you will not be as successful.

Treat each email as an individual

Try to personalize every response to that individual other than for the autoresponder. If you need to spend additional time finding their vehicle, let them know. If the prospect you are dealing with perceives you as interested in their problem and your follow-up is outstanding, you will have a better than average chance to earn their business.

Have a consistent price policy

If you are going to offer special pricing to internet shoppers, be consistent with every online prospect.

Setup lead folders in your email box

As you receive leads online you should file and track every lead. Think of your email folders as files and your email program as a filing cabinet. Staying organized allows you to account for every online lead you receive. This also allows you to track your progress and sales resulting from your follow-up.

More dealerships are using web-based lead management systems specifically designed for handling large amounts of leads. It is well worth the monthly investment to use this type of system as compared to a simple email program.

Beware of mass emailings

If you are thinking a mass emailing, or have gathered email addresses for email lists, be careful. Many people may not enjoy being contacted without their permission. The best way to create mailing lists in-house is to get online shoppers and current customers to give you their email addresses for a newsletter or monthly coupons. This allows them to control the email they receive. Also, give them a link that they can click to unsubscribe to their emails.

If they are submitting a lead through a popular lead procurement site, they have given you permission to follow-up with them, and mass mailings should be considered proper. Have a way for them to opt-out of these mailings in case they don't want you to consistently mail them.

Don't call if they want to be responded to by email

I waiver on this point if they include a phone number with their email address. If you follow-up by phone the moment the lead comes into your dealership, the call will be a welcome surprise since many dealerships will fail to call at all. If they only give you an email address, then email it is.

Use hyperlinks in your email

If you'd like to sent HTML email which has colors and graphics, some email servers will not allow these to be accepted the way you originally sent it. They may take the graphics out of the email and put them in a separate folder, distorting your beautiful creation. The best way to handle this is to have a statement at the beginning of your HTML email that says, "If this email is distorted, please click on the link below to view it on the web". That way they can view your HTML email in its entirety.

Don't use emoticons

Emoticons are these cute images of faces and symbols that you'll find in your typical instant messenger. Since this is a business email, using emoticons may not be proper.

Email is not private or protected

Since other people may be able to view your emails, don't say anything you wouldn't say to your mother.

Don't dismiss customers who are too far away

"CNW marketing Research found that internet customers acquired a vehicle about 11% further from home than customers who did not use the internet as an information source. They travel over 30 miles to reach the dealership of their choice."

Customers may use a fake name?

"Customers who enter suspicious sounding names might just be trying to remain anonymous until the moment they're ready to buy"

My email responses aren't closing many sales? What can I do?

Like many internet salespeople around the country, you are probably having a difficult time closing the internet leads that your receive from your lead providers, as well as your own website. Some of this may be due to the deteriorating quality of leads that you are receiving, but I don't want to make any assumptions about why you aren't closing more of your internet leads. But I can share with you some

powerful information that can help you close more leads by taking control of your prospects.

Making internet sales comes down to control, plain and simple. That doesn't mean you have to bully or overpower your prospects, but you do need to have a clear plan in place to handle and control the sales process for your clients. So the question is, how do we maintain control over customers during the buying cycle without losing them using email? Research has shown emails that pull responses adhere to a set of principles that will be discussed in this section. It is interesting to note that these same principles have been around for decades and are applied everyday in direct marketing and the direct response industry. I'm not talking about your typical direct mail type promotion, but about a much more effective way to lead customers to do exactly what you want, when you want.

Subject Line

The first item that needs to be addressed is the subject line. This is the first thing a prospect will see in their email browser when they go to look at your message. If you are like most people, you are hitting reply to the emails you receive and simply type your letter and send it back. By doing that you miss a great opportunity to get them excited about what they are about to read. Use your subject line to grab their attention. But make the subject line short so it is fast to read. Here are three examples:

- Using ABC Motors Internet Department could SAVE you thousands!
- Don't purchase your next vehicle until you read the following email!
- ABC Motors has enclosed a special offer on your requested vehicle!

These are just to get you thinking on how to get people to read your message before they hit the delete button.

Opening Statement

One you have your subject line completed, it is time to move down to your opening statement. At this point, you have very little time to capture their attention and entice them to read further. So here's what you do.

If at all possible, personalize the response using your prospect's name in the opening line and again wherever you deem appropriate. Your opening needs to be the biggest benefit of why your prospect needs to do business with you. Shy away from using price as your biggest benefit for two reasons:

- if you can't give them the lowest price, you'll lose them
- every other dealer is going to use that angle, so be creative.

Here's an example:

Hi Pat,

Today is a great day to be shopping for a new vehicle at ABC Motors, and I want to share with you why. At ABC Motors we have created a unique offer for all our internet customers. You will not only receive a great deal on your vehicle purchase, but you will also receive any accessories you want for your next vehicle at our dealer cost. So you could add that 10-disc changer in your truck, or tinted windows, just for being an internet customer. We are making you this special offer for the next 72 hours for any vehicle purchase from ABC Motors. Read on and let me tell you exactly how we are able to give such value to our internet customers.

The goal with the opening paragraph is to entice them to read further into your email message. Keep trying new offers. You will find that some will outperform others, and you will get a better feeling on what to write.

Body

Next comes the body of the message. The major point to make here is to give your prospect exactly what they requested. If they request a price, you should let them have the price they asked for. If they don't get it from you, they are likely to get it from one of your competitors.

Close

After you close, put a p.s. with another value added offer if they act quickly at the bottom of the letter after your name and dealership information.

I have reviewed hundreds of successful emails and they all tend to have these elements. Check these against your emails and see how they compare. Don't hesitate to try different emails to see what works in your area. In fact, test some of these new ideas on your co-workers, then on your prospects. But mainly, never quit experimenting.

Are there any other ways to communicate with customers other than email?

Email is becoming a crucial part of running a successful dealership. It is fast becoming the preferred form of communication that auto shoppers are using to get pricing, and in some instances, negotiate their entire vehicle purchase. If you don't have email at your dealership, you don't have a 21st century business.

But e-mail isn't the only way to communicate. Another hard-charging communication method comes courtesy of live chat services.

I've installed live chat on my own ecommerce sites, as well as other dealerships, and it really comes in handy when prospects want to speak with someone personally while their surfing your site.

By clicking on a chat button, your prospect can communicate with your dealership without picking up the phone. This provides the following benefits:

- you can give your prospect immediate attention and answer critical questions without the time-lag of email.
- you can see who's on your site and contact them personally in a non-threatening way.
- you can provide customer support for your current customers.
- you can use it to set up test drives, set service appointments or as your online help desk when shoppers want information.
- if you have multiple people in your Internet department, use it for them to effectively communicate with each other.

By placing the icon on each of your website pages, you will give prospects every opportunity to do business with you.

What is an autoresponder?

Autoresponders are just that, they are programs set up to automatically respond with a designated email when a lead is sent to your email inbox.

Basically autoresponders are "email on demand" bots which make your information available to your prospects 24 hours a day, 365 days per year, and believe me when I say they can dramatically increase your sales.

All email lead management programs have an autoresponder feature. Here's the way it works. You create the message you want your prospect to get when they send you a lead. This gives the prospect immediate feedback and valuable information on how you will proceed next. By explaining your process for following-up on the lead, it takes away the fear and anticipation of the unknown. Also, you can do a lot of selling before the actual phone contact by providing them with current rebates, specials, etc.

You want your autoresponder email message to get them to want to contact you. This is why you should continually test your emails until you find the ones that work in your area with your clientele.

On the following pages you'll find sample emails to use.

AUTORESPONDER

Thank you for your inquiry regarding a new or preowned automobile. You'll be happy to know that ABC Motors sets the standard for online auto shopping in the tri-county area by making your experience easy, fun and stress-free. As an ABC internet customer, you are eligible for the following perks:

- FREE home or office delivery of your new vehicle
- FREE first oil change and hand car wash
- FREE loaner when your vehicle is in service
- One of the largest inventories in Michigan
- Open Saturday's for sales and service

Plus, the opportunity to deal with a friendly, professional internet staff who will make your vehicle buying experience as easy and enjoyable as possible. And isn't that exactly what you wanted by doing business over the internet?

Since your time is precious, we'd like to inform you of the process we go through with every internet customer. This way there will be no surprises throughout your buying experience:

1. A very nice person named Dawn will be calling you to set an appointment to pick out your new vehicle. So you'll probably want to check your calendar for available times and dates.
2. Once you come into the dealership, the vehicle of your choice will be ready for you to test drive so we can utilize the time we spend with you as efficiently and productively as possible.
3. If you'll be trading in your vehicle, you'll want to bring in your title, proof of insurance and finance agreement so we can call for an exact payoff and give you the maximum amount available for your trade.
4. Once you've approved your special internet price, you'll have the option of taking immediate delivery, or having us deliver your new vehicle to your home or office.

It doesn't get any easier than this! More importantly, you'll be dealing with a store that has the highest customer satisfaction rating for both sales and service in all of Michigan. So you can be assured of the finest treatment throughout your entire ownership experience.

You're probably excited to own an ABC automobile right now and are ready to call the dealership. To receive all of the internet benefits we offer, you must call our internet team leader, Dawn (313) 937-0200, and she will make sure that all of your needs are taken care of to your satisfaction.

Email Replies

Email 1 (Assuming you haven't reached your customer by phone)

I've been trying to reach you for the last several days without success. You're probably very busy and difficult to reach. Still, I am very interested in touching base with you so I can gather the proper information to help you begin your purchasing process. If you will call me at (313) 937-0200 at your earliest convenience, I can begin showing you the true quality of our outstanding customer service.

Email 2

Purchasing a new vehicle is an important decision and shouldn't be rushed. You deserve to find the right dealership that will fulfill your needs not just now, but also in the future. I can assure you that ABC Motors is the type of dealership you've been looking for, and we're ready to make your buying experience as enjoyable and stress-free as possible. Please call me at your earliest convenience on my direct line – (313) 937-0200. I look forward to our first meeting.

Email 3

Did you know that a majority of customers who contact a dealership online rarely get responded to in a timely manner? That's not the case with ABC Motors. We believe that anyone who takes the time to do their research on the internet expects and deserves the type exceptional service that we can provide. We'd like to show you this service in person. Please contact me on my direct line to schedule a meeting – (313) 937-0200. I look forward to hearing from you.

Email 4

I was thinking about you today and just wanted to let you know that you haven't been forgotten. The fact is we're glad you decided to purchase a new vehicle and that our dealership has the opportunity to earn your business. By taking your time, it shows us that you are concerned about where you choose to spend your hard earned dollars. If there's anything I can do to help make your choice easier, don't hesitate to call me on my direct line – (313) 937-0200

Email Replies (cont.)

Email 5

It's been over a week since you sent an inquiry to our dealership, so I just wanted to remind you of three of the many reasons you should purchase your next vehicle from ABC Motors:

- free home or office delivery of your vehicle,
- free first oil change and hand car wash, and
- a free loaner when your vehicle is in for service.

Add to this the courteous and professional treatment you'll receive from our experienced internet staff, and you have all the reasons you'll need to purchase your next vehicle from ABC Motors. Please contact me on my direct line to schedule a meeting – (313) 937-0200. I look forward to hearing from you.

Email 6

Did you know that 33% of computer users send email more than they make local phone calls? That puts you in a very unique group of car buying customers. If you would prefer communicating by email instead of by the phone, no problem. Simply reply to this email with your questions and I'll be more than happy to provide you with the information you request. If you don't mind talking on the phone, you can contact me on my direct line – (313) 937-0200. Either way, I look forward to communicating with you.

Email 7

As an internet customer, you will be receiving our monthly email newsletter which will provide you with interesting information on activities within our dealership, new interest rates and rebates, specials on select vehicles, as well as tips to help maintain your current vehicle. We hope that our correspondence has been professional, and that you will consider ABC Motors for your next vehicle purchase. Please recommend us to your friends and co-workers.

These are just several emails you can use to respond to a customer who has not been reached by phone. You should have an organizational plan for phoning and emailing a prospect that if followed to the letter. Intermittant phone and email will give you an excellent chance of earning this customer's business.



Chapter 15

Understanding the Selling Process

Quick Thought

“The Internet is like a gold-rush; the only people making money are those who sell the pans.”

Once your prospect comes into the dealership to view your product, the selling process for an internet customer remains virtually the same as for a traditional customer. The steps to the sale from the greeting through the delivery are unchanged. The only difference will be that the internet customer still feels like he/she has more control over the process because of the amount of information gained from the internet. The internet customer may also get more insulted if the negotiations start too high because many of them feel that by utilizing the internet, they will get a vehicle cheaper. But that doesn't mean you should not try to retain as much profit as possible. Just be more prepared to handle any price objections that may arise. So instead of concentrating on the "10 steps to the traditional sale", which you should probably know already, let's focus on the "steps to the internet sale".

But before we begin talking about the steps, let's make sure you have your email program organized, and a follow-up system prepared. Whether you're using a program like Microsoft Outlook, Act! or Goldmine, or

you subscribe to a web-based email lead management program, you'll want to create folders to keep track of your email organization, and templates to help you respond quickly. Email follow-up will be the lifeblood of your future business, and will occupy the greatest majority of your time. And well it should.

Your competition is dropping the ball!

Most Internet sales reps will only respond once to a lead and will use canned responses. You should know that the average online prospect will take 3-4 weeks before purchasing. So all of the one time hit or miss sales reps out there are only going to get one shot, one month before he/she buys. There are a few sales that you will get using one time hit or miss follow-up, but the numbers are against you.

Here's a sample organizational plan you can use assuming you're having problems making contact:

Day 1

Make a phone call and send an email.

Day 2

Make a phone call and send an email

Day 3

Make a phone call

Day 4

Send an email

Day 5

Make a call

Day 6

Send an email

Day 7

Make a call

From this point, the prospect is either ignoring you, or out of town (yeah, sure!!) He/she may not be ready to make the commitment to talk with you, but that doesn't mean you throw him away. You will now place him in your Second, Third, and Fourth Week folders, and also place him in your Newsletter folder. Once he goes in the Newsletter folder, he will receive a newsletter from you every month as a way to keep in touch, and also get some referral business.

So, the basic folders you'll want to setup in your email program are:

Day 1 - Day 2 - Day 4 - Day 6 - Week 2 - Week 3 - Week 4 - Week 5 - Week 6 - Week 7 - Week 8 - Newsletter - Hot Leads

Your direct email marketing campaign should begin 24 hours after your prospect doesn't respond to you and continue for eight weeks or until the prospect removes himself from your list. This campaign will have a dramatic effect on the number of people you retain due to your persistent follow-up. You'll need to allow people to unsubscribe to your emails and newsletters automatically and track what people received what letters as well as allowing you to track when they dropped out. For example, if 35% of all people unsubscribe on letter 3, you might need to change the letter to make it more effective. The object is to drive more people into your dealership - period. As an Internet consultant in a busy dealership it is impossible to follow-up on every lead effectively. But by building and utilizing a system that automatically follows-up on cold and non-responsive leads it allows you to focus your energy on the people who want to buy now without sacrificing good quality leads that just needed a little more time or information. To really get the most out of this system you need to track everything as you want to be able to uncover any chinks in the armor of your letters and address them immediately. This has been the most effective system we have ever tried and used to manage unresponsive leads.

Once you create your folders, you'll want to create some email templates you can use so you don't have to write a fresh email each time. Create a template for each one of your folders so you can simply input their name and send it out.

Some topics for email templates include:

- Are you still in the market?
- Did you get my email?
- I haven't heard back from you!
- I'm still looking, have you had any luck yet?
- I have what you are looking for!

These are simply recommendations. You may wish to create your own system, but what's important is that you make a system that you can follow. Don't just run your internet business by "pot-luck" which basically means, whatever happens, happens.

So, now that you have an organizational plan, let's begin with the sales process:

Email inquiry arrives

Once your inquiry arrives, you need to answer it quickly, either by email or phone. If you get a phone number, I suggest you make the phone call first, keeping in mind that you may not be the only one an inquiry has been sent to. When you make the call, one of two things will happen:

The prospect will answer the phone

If the prospect answers the phone, be upbeat and positive. Hopefully you're the first dealership that has responded and you need to make the prospect feel like you're glad he/she inquired. You need to see how serious the prospect is about purchasing a new vehicle. You can accomplish this by saying something like:

"Hi Mr. Jones, this is Mike calling from ABC Motors, how are you today? Mr. Jones, I'm calling regarding an inquiry you sent to our dealership regarding a new 2004 X-Vehicle, and I was just wondering when you'd like to come in and pick out your new vehicle?"

From this statement, one of two things will happen:

- the prospect will give you a time he/she wants to come in, and you immediately set an appointment, or
- the prospect will hesitate on setting an appointment and begin asking you questions about the vehicle of interest.

If the prospect begins asking you questions, answer them honestly and to the best of your ability. If there are questions that need research like price and availability, don't hesitate to offer to call the customer back with the correct information, as compared to giving wide ballpark answers that will upset the internet prospect. This will show your prospect that you're willing to do the "good" work and provide your prospect with exact information.

The next type of opening statement can be more probative, where you're trying to get your prospect more involved in the process by asking some questions first and getting your prospect to do most of the talking. It would sound something like this:

"Hi Mr. Jones, this is Mike calling from ABC Motors, how are you today? Mr. Jones, I'm calling regarding an inquiry you sent to our dealership regarding a new 2004 X-Vehicle. But before we begin talking about the vehicle, let me ask you a question. Why did you decide to go on the internet to shop for your vehicle? Do you do much research on the internet? Have you ever purchased anything on the internet before? Let me explain our process for purchasing an internet vehicle and then I'll be glad to answer any specific questions you may have."

And then proceed to set an appointment. Don't be afraid to script different openings to see which ones work the best. Your ability to set more appointments will be determined by the amount of study and practice you do in the area of phone skills.

The prospect will not answer the phone

If the prospect doesn't answer the phone, which is usually the norm if you're calling during the day, then leave a message. The message should also be upbeat, and gives the prospect a reason to return your call. You'll want to eliminate playing "phone-tag" as much as possible. The message may sound something like this:

"Hi Mr. Jones, this is Mike calling from ABC Motors regarding an internet inquiry you sent to our dealership regarding a new 2004 X-Vehicle. Mr. Jones, before I can give you the exact information you're looking for, I need to ask you a few important questions. So if you'll give me a call at 555-1212, I would greatly appreciate it. I'll be here at the dealership until 9pm tonight and 6pm tomorrow. I really look forward to your call. Have a great day."

Whether your prospect answers the phone or not, you'll want to send an immediate email.

If your prospect answers the phone, the email will serve to summarize the discussion and reaffirm the appointment. If an appointment is made, you'll want to put your prospect's email address in your email newsletter folder.

The newsletter will be sent out to every prospect and customer you have in your database until they decide to opt-out.

If the prospect didn't answer the phone, the email will inform the prospect you left a message at their home, and you need to gather some important information before you can give an exact quote. Your prospect may check his/her email during work hours, and will respond to you quicker.

Once you have made the initial call and email, follow-through with the organizational plan you developed at the beginning of this chapter.



Chapter 16

Selling Used Vehicles Online

Quick Thought

“Like China, the Internet is a huge new market. It’s up to you to figure out what to do with it. Use it as a prospecting tool, make connections with people, add value for your existing customers.”

As the internet progresses, one area to pay close attention to is the used vehicle marketplace. This 300+ billion dollar marketplace is coming of age online. Selling used vehicles on the web is still new, but it can grow into a great profits center for your dealership. Since used vehicles are a one-of-a-kind selling situation, it is a little easier to overcome the price-only type customer and to sell the value of a particular vehicle. Look online for yourself at the ones who are successfully selling used vehicles on the internet. Most of the ads are terrible, but a few are very well put together. And if you dig a little deeper, you’ll notice that the good ones don’t last very long.

What’s the difference between the Traditional Used Vehicle Shopper and the Internet Used Vehicle Shopper?

Internet shoppers spend more time in the used vehicle shopping process than the traditional shopper. A study by JD Power and Associates revealed that online used vehicle shoppers will visit 5.2 dealers vs the Traditional buyer who only visits 3.5 dealers.

They also found that the online used vehicle shopper will take about 4 weeks to purchase versus only 2.3 weeks for the Traditional shopper.

Why does the online shopper take so long to buy a used vehicle?

Access to tons of information makes it easier for the online shopper to find the right vehicle at the right price, and he can find numerous vehicles online, versus just driving around dealer to dealer searching blindly. This allows the shopper to take his time with very little driving and negotiating. Traditional buyers that drive around to find a used vehicle will usually give in earlier, especially if they are having trouble finding the one he wants. In fact, many traditional shoppers end up in something they really didn't want because they just didn't have the patience or time to keep searching. A good internet surfer can look at more vehicles online in 30 minutes than the traditional shopper can see in 3 weeks.

Why do online shoppers visit more dealers?

Many online shoppers will visit numerous dealers before buying because they already have a list of specific vehicles at different dealerships. If a prospect comes into a dealership to look for a specific vehicle, you'd get them to walk the lot even if you didn't have it. These shoppers will end up buying something else that you show them. The online shopper will probably leave and go look at the other vehicles on his list. Remember, the online shopper has access to thousands of used vehicles with photos and does his lot walking online. When he shows up at the dealership, he expects you to have the vehicle he saw online, and he will probably leave when you don't.

What would I need to do to maximize my chances for successfully selling used vehicles on the internet?

You must have used vehicle leads coming in every day. Without a sufficient number of leads coming in, you will not get as many opportunities to sell. This means using Vehicle-Finder Leads. These usually come in the form of email. Many of these shoppers will fill out multiple forms on multiple services and wait for responses from multiple dealers. This is why it is so important to have many leads coming in, and a good email follow-up system. Research has shown that most used vehicle shoppers are more price-oriented than brand-oriented. Many want the best vehicle available in their price range. A person looking for a specific used vehicle will travel to get it. This is where having your own digital camera will be very rewarding. Send people

actual photos of the vehicle they are looking for and they will respond.

Be familiar with your current inventory

Keep in constant contact with your used vehicle manager, because you may have the exact used vehicle the online shopper is looking for, and not even be aware of it. Many used vehicle reps walk the lot every morning and check the trade-in logs for incoming vehicles. Do not assume that shoppers filling out Vehicle-Finder forms have seen your inventory online, so make sure you provide a link in your follow-up email.

Have actual photos on your site to sell more vehicles

You must put your inventory online with photos and keep it fresh. Online shoppers can't buy what they can't see, and they can't buy it if it has been sold for two weeks. Bringing in serious buyers is the result when you put photos of your inventory online, and many of the contacts you see will be shoppers asking about a particular vehicle's availability.

Keep your inventory fresh

Many serious shoppers will see your online inventory and call, or drive right in. You'll want to make sure you stand out or they will deal with someone else at your dealership. Make sure your name stands out on any printouts they may bring in. And make sure you can put fresh inventory on your website to keep your viewers attention week after week, and give them the feeling like your dealership sells a lot of vehicles on the internet.

Sell the sizzle, not the steak

Sometimes we forget the basic rule of sales: "Sell the sizzle, not the steak." Are you selling the sizzle on your website, or the steak? Make sure you have descriptions for each vehicle that will get them excited to move to the next step.

Price your used vehicles online

Since 1966, online shoppers have been surveyed. And nothing upsets them more than vehicles with no pricing. If you don't price them, you will receive less hits, because online shoppers will click on until they find a dealership that gives prices.

Keep in mind that many shoppers will compare your pricing to Kelley Blue Book, Edmunds, and NADA. So keep your pricing in line.

Design your classified ads properly

The more info you put into your ad text, the more traffic you will receive. And these people will be serious buyers. Remember, the internet is about information, and if you hide the important information like options, miles and prices, online shoppers will move on and deal with someone that provides the information they need to make the next move. This move will usually be contacting you about a test drive or just coming in to see you. Always have the following included in your classified ads:

Your name and dealership

Many online shoppers will call or come right in. If they don't have a name to ask for, they will be at the mercy of the floor.

Your own direct phone line

This is very important because all calls from your online ad will go straight to you instead of the switchboard. Many shoppers will call the switchboard operator who will send them as a phone-up. You will never see these people. If you can't get a private line, than make sure you let the switchboard know that all internet leads go to you.

Your own email address

Many shoppers will not call and will want to use email for their information gathering. If you don't put your email address in your ads, you will lose these buyers.

Description of the vehicle

Including the make, model, year and color might have been fine a few years ago, but today, average consumers are demanding more, and why not? With all the competition you're selling against, the more information you can provide, the more excited you can get your prospect about your vehicle, the more likely he will call you to further the process.

Add pictures in your classified ad

Multiple pictures are growing in importance to fully show the vehicle and all the great, and not so great features of the vehicle. The vehicles that sell have from three to five pictures, or more plus a complete vehicle description down to how worn the door handles are. By being this complete, the internet shopper will develop more confidence in your vehicle since you're not trying to hide anything.

Are there any marketing ideas that will help me sell more used vehicles on the internet?

Here are two marketing ideas that are very easy to implement at your dealership.

The first involves the monthly task of taking over-aged vehicles to the auction. Next month, before you take your vehicles to the auction, try this simple idea. Make a list of the vehicles with descriptions and a bottom-line price and email the list to all the internet prospects you've had over the last few months. At the top of the email, be sure to explain that all of these vehicles will be going to the auction within the next few days, but you are allowing them the opportunity to purchase them at auction prices. Tell them that they may view any of the vehicles by appointment only at a holding facility behind the dealership.

The second marketing idea to help you sell more vehicles involves responding to a customer request for a used vehicle. You not only send the pictures and prices back to them, but send them the Kelley Blue Book price as well as a link to their web site. The reason is two-fold. First, you have given them a price which most dealerships won't, and second, you are using the Kelley Blue Book to create credibility for the transaction. This way your prospect won't think your prices are fabricated.



Chapter 17

Selling on eBay

Quick Thought

“The Internet ‘browser’ is the piece of software that puts a message on your computer screen informing you that the Internet is currently busy and you should try again later.”

So you're ready to start selling your first vehicle on eBay Motors. There are two steps for dealers to sell vehicles on eBay Motors:

Register for an Account

If you are new to eBay, you must register for an eBay account. Once you have an eBay user ID, you'll need to create a Seller's account before you can list vehicles for sale on eBay Motors. If you already have an account, skip to step 2.

There are two ways to create a Seller's account for free on eBay. With a valid credit card, you can immediately register as a seller. For licensed dealers, you can register through our dealer registration process, which does not require a credit card but does take a few days to complete.

Once you complete this process, you will be ready to sell vehicles on eBay. Here are some tips that will help make your selling experience a profitable one:

Selling vehicles on eBay is more of an art than science. The listing will make the difference between an okay sale and a great one.

Here are some tips for creating a listing that will sell that vehicle for you.

Title:

- An accurate, descriptive title is one of your most powerful sales tools.
- Use only words that will be used in eBay's search window to lead the right buyers straight to you.
- Avoid clichés like "Wow" or "Check it out"—especially since buyers don't use these words when searching for vehicles.

Description and history:

- This section provides all of the information your buyer needs to learn basic facts about your vehicle.
- While writing this, think of all the details you would want to know if you were buying a used vehicle.
- Vehicle's ownership and maintenance history.
- Special features, options, or equipment.
- Relevant warranty and title details.
- Let bidders know exactly what they can expect if they buy your vehicle.
- Is there a ding in the driver side door from the time your cousin Freddie parked too close to you at the family reunion? Note it.
- Note any mechanical problems or maintenance that will be needed.
- Describe any damage, wear, or cosmetic problems (like that unique custom paint job).
- Has your vehicle ever been in an accident? (Yes, including that little fender-bender that was really, totally not your fault).
- Provide details on any major repairs that have been done.
- A complete, honest description builds buyer trust, and trust encourages bidding.

Photos:

- Provide clear, well-lit photos.
- Take from several different angles – including interior, exterior, and even the engine and odometer.
- Include pictures of problem spots like rust, worn upholstery and dents, condition of tire tread.

Any notable additions or modifications to the vehicle:

- "I added a CD-changer and cell phone adapter. I also disabled the alarm."
- "I added 18" custom wheels in 1998 including a new set of snow tires".

Describing vehicle history:

Ownership history

- "I am the original owner and bought the car from Seaside BMW in 1997".
- "I purchased the car from a used car dealer 5 years ago".

Maintenance records, if any

- "I have all records of service from my ownership and the previous owner".
- "All service on this vehicle was performed at County Chevrolet".

Recent service

- "The car has new tires and a new clutch installed less than 2 months ago".

About Feedback on eBay

- Feedback is a crucial component to the transactions that take place on eBay Motors.
- Feedback is a parenthetical number that indicates how many transactions an individual has participated in as a buyer or a seller.
- At the conclusion of each transaction, both the buyer and the seller are prompted to provide a positive, negative or neutral rating, along with specific comments.
- This information is cached and available to all potential buyers and sellers on eBay, by clicking on the feedback number after the user name.
- Feedback provides a real time report card of the individual's transactions, which can provide an added layer of buyer and seller confidence.

Safeguarding the process - for you and your buyer

It should go without saying that sellers should take maximum advantage of the many seller protections that eBay Motors makes available – and be familiar with the protections for buyers too.

Specific services include:

Inspection Service (\$24.99)

- The experts from Pep Boys will perform a 125-point inspection of your vehicle, which can carry a lot of weight with far-flung buyers who may feel some trepidation about not being able to check the car out first-hand.

Vehicle History (\$4.99)

- The seller's Vehicle Identification Number (VIN) provides the buyer with the vehicle's history, so they can feel doubly sure that the car you're selling is every bit as great as it looks.

Escrow.com (\$22.00)

- This service will hold the buyer's payment and send it off to you, the seller, only after both parties are satisfied by the transaction.

The Feedback Forum

<http://pages.ebay.com/ebaymotors/services/forum/feedback.html> (Free).

- Provides an instant, national reputation or scorecard for each individual that conducts business on eBay, whether as a buyer or seller.
- Click on number in parentheses after buyer's name to access positive and negative comments.

Limited Warranty (Free)

- Provided free on most used cars under ten years old with less than 125,000 miles.
- Administered by 1SourceAutoWarranty.com, the warranty offers sight-unseen coverage on vehicle failure for one month or 1,000 miles, whichever comes first.
- Through the same service, buyers can also purchase an extended warranty on many vehicles.

Purchase Insurance (Free)

- Provided free of charge by eBay Motors to most passenger vehicle buyers, with a maximum coverage of \$20,000.

Seller Guarantee (Free for certain vehicles)

- For certain vehicle purchases, this program covers buyers up to 50% of the vehicle's purchase price (with a maximum coverage of \$10,000).
- This is a guarantee that the vehicle condition is as described in the listing.
- Sellers work directly with the buyer to ensure satisfaction with the vehicle.

Sales Management 101

It probably goes without saying that actively managing your listing and sales process will get you better results than not doing so. And most of the key points are sort of obvious, but just in case, I'll go over the most important one here.

Communication is KEY: be accessible to potential buyers throughout your auction

- Make sure your phone and email address on your eBay account is accurate.
- Check email multiple times per day to answer potential buyer questions promptly.
- If you have concerns about the potential buyer's feedback rating, or questions about bidding activity, contacting the buyer in question will help.
- Remain in contact after the purchase when transactional details are being worked out.

How to Describe Vehicle Condition

Exterior

- "The car has a noticeable dent on the passenger side behind the door."
- "The paint has faded on the hood and roof."
- "A small chip is visible in the lower right portion of the windshield."

Engine and mechanical

- "The muffler sometimes has a noticeable rattle during idle."
- "The windshield washer spray valve is not functioning."
- "My mechanic recommends updating the shocks and struts."

Interior

- "The seats have noticeable wear including a stain on the driver's seat"
- "This is a non-smoker vehicle."
- "The passenger power seat adjustment does not recline."

How to describe payment and delivery terms

Payment Terms

- "I would like a 10% deposit within 3 days of close of auction."
- "Balance to be paid within 10 days of close of auction."
- "I accept payment by money order."

Delivery Terms

- "Buyer to pay for shipping of the vehicle."
- "I will arrange to deliver the car within 100 miles of San Jose, CA."

Timing and pricing

Establishing the right timing and pricing strategy for your auction can make the difference between a good sale and a great sale. Here are some tips:

Establish the duration

List your car for five or seven days to get more exposure and allow weekend shoppers an opportunity to see their listing.

Set a low starting price for an auction-style listing

Setting a low starting price will encourage more bidding activity and attract buyers.

Determine if you want to set a reserve price

The reserve price is the minimum price that you will accept for your car. Do not set your reserve price too high, or you will discourage buyers.

Lower your price

After you have listed your car, you can lower your reserve, allowing you to make a quicker sale. Still start with a reasonable price so your listing attracts buyers. Be advised, once the bidding begins, though, you can't add photos or change your descriptions.

Complete your listing

- Preview your listing and associated fees.
- Make any changes on the review page before you click submit and send your listing live to the site.
- Important: once a bid is submitted, you can't rewrite your listing or add photos.
- Track all the items you are selling easily from your "My eBay" page by clicking the link at the top of any eBay Page.

Fees

- When you submit your listing, you will be charged for your listing and any optional feature fees.
- eBay Motors has its own insertion, transaction, and feature fees that are different from other categories on eBay.
- The basic listing fee is \$40 for a car, truck or other passenger vehicle.
- There is no final value fee, but eBay charges a \$40 transaction fee when bidding meets your reserve price.

Okay, you're almost there. You've listed artfully, managed your buyers brilliantly, and one of them has won your eBay Motors auction or offered your designated "Buy it Now" price.

There are just a couple of details remaining to be wrapped up.

- Use PayPal as the payment method ensures a simple, step-by step payment process, completely online.

- Confirm shipping or transportation details, as provided in your original terms.
- Determine how you want to spend your newfound wealth!



Chapter 18

Hiring an Appointment Coordinator

Quick Thought

“The lesson here is you can’t expect users to learn. There’s too much fun going on out there on the Internet.”

I like the idea of having an Appointment Coordinator in charge of handling leads as compared to salespeople.

First of all, we all know that salespeople hate using the phone. They do a great job closing the sale if an appointment is set for them. So why not develop a phone bank with appointment setters?

These would be individuals (not being sexist, but I found that putting females in this position works better) who really enjoy being on the phone, can develop working relationships with the prospects, and can work the phones for long periods of time. They don't necessarily need to know a lot of product knowledge. If a prospect needs to know anything directly related to the vehicle, the appointment coordinator can easily transfer them over to the salesperson to have their questions answered. Then the salesperson can set the appointment, and relay the appointment information back to the coordinator.

The appointment coordinator needs to be very organized, understand the computer, and generate detailed reports. They also

need to have control over salespeople when it involves the internet since they will virtually be responsible to run the internet department. So it's best that the General Manager meet with all salespeople involved with the internet department to lay down the ground rules and determine the chain of command.

As to who would get the internet leads, this is another topic for discussion. I don't think you should distribute leads to every salesperson on the showroom floor (that is, if you're not planning on developing a separate, full-fledged internet department yet). Choose those salespeople who truly want to help make the internet department successful, and be responsible to do whatever is necessary to make this happen. They should also be good closers, and handle the phone well.

A good appointment coordinator should have the following responsibilities:

- Call every lead that comes in
- Try to set an appointment for every lead
- Follow-up with all leads that are not contacted
- Develop a long-term follow-up program
- Keep monthly progress stats
- Send monthly email newsletters from the dealership



Chapter 19

Email Lead Management Program

Quick Thought

“Internet mailing lists are like Fox television shows. They have really cool previews, and they get you all excited about them, but they just don’t live up to their promises.”

As more and more vehicle buyers log onto the internet, automotive dealers are receiving an ever-increasing number of leads coming from email. From dealer websites to automotive portal sites, consumers are finding that email provides them with a convenient, low-pressure way to contact dealerships and get the information they’re looking for. As a result, finding efficient ways to handle email effectively has become one of the most important ways for dealers to convert leads into sales.

The first step is to make it easy for them to contact you to start the sales process. Prominent email links on your site gives internet shoppers a fast, easy way to send you a message. Plus, with a website that incorporates service, parts, and finance and insurance information, direct email links can feed leads directly to all of the profit centers within your dealership.

But staying on top of all of these incoming leads poses a challenge to a busy internet salesperson. While email leads produce a significant number of sales opportunities, many of those opportunities can be missed when dealerships are unable to handle the

volume of email with their current systems.

What should I look for in a Lead Management System?

Fortunately, technology is keeping pace with this explosion in email communication. Available lead management software can help you handle your email quickly and easily and help you utilize it to your best advantage. A good web-based program can sort email, route it to the appropriate salesperson or department, and even alert the salesperson when a new lead enters the system.

In addition to organizing and routing emails, a web-based lead management system can automate initial email replies to customers, letting them know you've received their request and are working to get them the information. This is called an "autoresponder". It's a way to provide a prompt reply - one of the most important ways to retain the internet shopper.

A Lead Management System (LMS) also provides tools to help you make decisions about where to focus your online marketing efforts. You can run reports to give you statistics on where your leads are coming from and which ones are the most profitable. And with the database of information that is collected from your email leads, you can target past customers and prospective customers with special promotions.

Most importantly, lead management programs are easy to use, and makes it easier for your to manage your overall internet program. As your internet department becomes more sophisticated, it doesn't mean it has to become more complicated. By taking advantage of technology that is specially designed to help your dealership, you can handle more online leads with less effort to maximize your internet sales.

DealerCat, an internet training and research company has broken this down into several easy to understand categories so to better understanding what makes a good lead management system versus a bad choice:

Usability

How easy is the system to navigate? When you determine the usability of a LMS, you must consider how easy it is from the individual customer screen to schedule future events such as phone follow-up, appointments, or any other event you'll schedule on a normal basis. Included in the usability category is the ability of the user to get a complete picture of their Internet program at a glance.

Basic Features

Before you consider any LMS there are several basic features that must be included for it to be considered a viable tool. If it does not have the basic features it is not worth the price even if it is free. The basic features that you must have to insure a viable LMS are:

- Auto Responder
- Unlimited Bulk Mail
- Ability to send email as HTML and text simultaneously
- Ability to build your own Templates to include graphics and images
- Ability to insert preset data fields in your templates
- Systematic approach to organizing your customer data for follow-up
- Ability to automate templates based upon events such as birthdays, non-response, end of lease cycles, etc...
- Extensive report features that provide you the ability to customize to meet your needs
- Ability to download your customer base without assistance.

Customer Support

This includes how quickly they respond to your needs and questions. Customer support is becoming a lost art for many businesses today. Lead Management companies are no exception as you will find out, except for a select few that really focus in this area. Included in this area would be the availability of continued training.

Learning Curve

How long does it take for you staff to fully grasp the Lead Management System? This can often be attributed to how robust the program is, but it is usually an indicator of how poorly the programmers have laid out the program.

Cost vs Benefit

How much per month will the Lead Management System cost you versus the features that are included? If you base your decision solely upon price, you will probably get what you paid for when it comes to lead management.

Server Uptime

This is one area that you will not get a direct answer from your rep. The only way you can find out is to ask the dealerships that are currently using the product to know this information. This is a critical aspect of any on-line Lead Management System.

SPAM Filtering

How well does your Lead Management filter out SPAM? This has become a huge issue of late and you should really do your homework before you decide on which system is best for your dealership. There is nothing worse than spending your time deleting unwanted email when you have trusted your LMS to do this for you. Wasted time equals wasted dollars in sales. Also, does the LMS count those SPAM messages as a lead in your overall reporting?

Training After the Initial Break-in Period

Who does the LMS Company train initially and what are the parameters of who they will train in the future? Is there a cost involved for additional training? This is critical to know up front, especially if you expand or have any turnover in your Internet Department.

Inventory Integration

This can be a valuable tool providing your inventory is up-to-date. If inventory is not up to date, it can cause severe problems when you use it to rely upon providing accurate information to your customers.

Reporting Features

This is a critical aspect of any LMS. You must look how extensive are the reports and will they let you know what is really going on in your Internet Department? You must also look at how accurate the reports are; do they count the same customer that puts in two requests as two leads for reporting purposes. Look for programs containing customized reporting features when it comes to any LMS.

Integration with the Dealer Management Software (DMS) or the Floor

This a really great feature to have for most dealerships. We have found however that most systems that are integrated with the DMS or provide floor control were developed specifically for floor control and the Internet aspect appears to be an afterthought or a bolt-on solution.

Length of Contract and Penalties for Termination

Almost every LMS has a contract of one form or another. Pay close attention to what it will cost you to get your customer database from the LMS Company. This is one area that a lot of LMS Companies will hold you hostage to keep you a customer for life. Our rule of thumb is if they will not agree to provide you with your own customer base at the termination or anytime during the contract at no charge, do not sign the contract.

As compared to using a generic lead management system like Act!, Goldmine, or Outlook, a web-based program will make your lead management system more productive, and easier to use.



Chapter 20

Email Direct Marketing Program

Quick Thought

“Clearly, the greatest obstacle to the Internet’s mass acceptance is its nonportability. Put bluntly: it can’t be browsed while relaxing on the toilet. A shame really, considering how well suited much of its content is for precisely that arena.”

Marketing can be described simply as "creating more selling situations." If you are not creating more selling situations, then you are not being effective at marketing.

Using the above definition, marketing is setting up your dealership with more opportunities to sell. Obviously, advertising is a marketing tool that is a mainstay in the automotive industry. Using a combination of radio, television, outdoor and print advertising, auto manufacturers, dealer associations and dealers continually strive to create more selling situations. In addition to these traditional media, auto dealers also use direct mail and special events to create more selling situations.

Creating these selling situations is not cheap. One of the challenges auto dealers always have faced is how to deploy their advertising dollar to generate the largest return on investment. Complicating the decision is the growth of the Internet and the opportunity it presents to reach your customer in new ways. The good news is that the Internet offers alternative methods of marketing for a fraction of the cost of traditional approaches. We are very fortunate to be living in a period

of history where technology will advance our society at light speed.

The Power of E-mail

A large but shrinking number of businesses underestimate the impact of email. Imagine, trying to contact thousands of people with one message in a matter of seconds. Several years ago, the only way this was possible was to send a "blast" fax. While most businesses have fax machines, this method of communicating is not effective at the consumer level. Email, however, opens up the lines of communication with consumers throughout the world. The list of opportunities is endless.

Imagine being able to contact all of your past and current customers with a customer appreciation message and special offer via email. Imagine being able to build your service department traffic with a special email campaign targeting your best service department prospects. How about targeting prospects who are interested in buying a new vehicle?

Today, email is not being leveraged to its full potential. At best, it is being used only to respond to customer inquiries. Unfortunately, even that is being implemented marginally. As stated by John Holt, CEO of The Cobalt Group, a recent research study discovered that "19% of dealers never responded to shoppers' inquiries at all."

The biggest attraction of email marketing is the cost. Compared with the traditional channels of marketing, using the Internet and email to communicate your message with your prospects and customers is extremely cost effective.

Start building a database of e-mail addresses now

The first step to creating a marketing program via the Internet is to start collecting the email addresses of your customers and prospects. They are your best potential source of future revenue. The number of consumers who have email addresses will pleasantly surprise you. Email is not limited to the stereotypical young, computer savvy individual. For example, many grandparents send email messages to their grandchildren to keep in touch more often.

You need to create various methods of collecting e-mail addresses. Once you start to create a database of email addresses you can develop different campaigns to communicate with both your prospects and your customers. Look into the future. Five years from now you will have the email addresses of virtually every person who has ever visited your dealership. Imagine the power of that database. The marketing potential is endless and the cost is next to nothing! You don't need to spend thousands of dollars for mailing lists. It's all right there in your own database! You couldn't buy a more valuable database if you tried. Don't wait — start collecting those email addresses now!!

How do I start collecting email addresses?

The first place to start is with your current prospects, sales customers and service customers. Anyone that you meet you should begin collecting email addresses. Here's what you can say:

"Can I get your email address so that we can communicate with you easily? This will give us an opportunity to send you special offers, recall info, and service reminders."

What if they give me an objection?

As with any objection, you need to have an answer that you have scripted and practiced so you will attain the desired result - an email address. Here's a few you can use:

What do you plan to do with my email address?

Your email address will be kept completely private, and will only be used to communicate with you regarding your vehicle and dealership news. At any time, you may choose not to receive emails from our store.

Will you rent or sell my name?

We will never rent or sell your name to any third party. If this policy changes in the future, we will ask your permission first.

What if my email changes?

Please call us or send us an email, and we'll change it. If the email address "bounces," we'll simply stop sending messages to that address.

Then simply enter the information into your database or DMS system. It's that simple.

What can we do with the email addresses once we have them?

Over the last three years, email marketing has become an efficient and required component for businesses to communicate with and market to their customers and prospects. Here are some practices that have been developed and proven in conjunction with leading e-dealerships and groups across the country:

Generate major service work

The most profitable events for a dealership are to sell New or Used vehicles or to complete a major service repair. Identify those customers who are due for major service - they are often owners of older models and may also be interested in trading in. Offer them the ability to schedule the service, to get an appraisal online, or a service incentive.

Develop a lifetime customer

Start cementing a lifetime relationship with your new sales customers by reminding them, automatically via email, to come in for their first oil change. The initial oil change is a key component of developing valuable life-long relationships.

Get feedback from your customers

Polling: This easy-to-implement 'early warning system' will alert your store to any dissatisfied sales or service customer and is designed specifically to improve your factory CSI scores. This automated email process typically generates a response within 24 hours and allows dealerships to identify and address potential problems long before the manufacturer's survey arrives.

Survey: More in-depth than the poll, e-surveys elicit opinions from customers and prospects. This market research tool is flexible and can provide insight into any business matter that a Dealer Principal or General Manager is considering, such as dealer website satisfaction, advertising recognition, and opening another store, etc..

Increase sales of service contracts

Sell more high margin service contracts by targeting two segments to automatically message to:

- those customers who did not purchase at time of sale, and
- those whose factory warranties are about to expire.

Promote parts and accessories

Customers typically have a love affair with their vehicles for about 30 days after they buy. Email personalized, rich media parts brochures during this window and watch parts sales increase. Accessory promotions also work, and not just for the immediate period after the sale.

For example, promote ski racks during winter and bike racks in the summer; or cross-sell chrome exhausts or spoilers to the younger generation.

Online newsletter

Send your dealership newsletter to customers in electronic form. Track which customers are reading your newsletter, and which areas are most interesting to them (evidenced by click-thru). Give your customers the option of selecting their 'preferences', so that successive e-newsletters can be personalized just for them. Customers can also 'opt-out' of your direct mail piece, providing significant annual savings on production and mailing costs.

Factory promotions

Tell your customers about factory-sponsored sales events, even if they are announced mere days beforehand. Internet marketing campaigns can be developed within hours.

By using email marketing, you can generate revenue, cut advertising costs, and keep your customers loyal.



Chapter 21

Internet Glossary

Quick Thought

"The telephone wire, as we know it, has become too slow and too small to handle Internet traffic. It took 75 years for telephones to be used by 50 million customers, but it took only four years for the Internet to reach that many users."

ASP - Active Server Pages

A Microsoft-created web site development environment that allows developers to create templates that pull individual pieces of content from databases and display them as one cohesive page.

Autoresponder

A feature that sends an automated reply to incoming mail. When a lead is sent to your inbox, a predetermined message is immediately sent back to the internet shopper.

Bandwidth

The amount of data you can send through a connection, usually measured in bits per second.

Banner

An ad in the form of a graphic (usually rectangular in shape) appearing within a web page. Typically, when viewers click on the banner, they are taken to the advertisers web site. This is known as a click-through.

BPS - Bits per second

A measurement of how fast data is moved from one place to another. A 56k modem can

move 56,000 bits per second. Connection speeds are always referred to in terms of bits, not bytes.

Browser

A client used to view various kinds of content delivered over the internet. A browser like Netscape Navigator or Microsoft Internet Explorer is used to view web pages.

Byte

A byte is a set of 8 bits that represent a single character. File sizes are usually referred to in terms of bytes. The common files sizes include kilobyte (Kb), megabyte (Mb), and gigabyte (Gb).

Cable Modem

The device that allows the delivery of internet data from a cable company's head end. While the modem does not technically modulate or demodulate the signal, the device is referred to as a modem out of custom.

Central Office (CO)

The building which telephone circuits and other telephony-based equipment are located. Large racks of switches connect telephone calls. Many ISP points-of-presence (see POPs) are co-located in borrowed space rented to the ISP by the telephone company.

Database

An organized collection of data in specific formatting that allows programmers to retrieve, edit and store individual pieces of data. For example, storing customer information requires a database to organize the discrete pieces of information, such as name, address, phone number, and email address.

Dedicated Line

A communications line that is used solely for computer connections. If you buy an additional phone line for your modem, that's a dedicated line. Alternative types of dedicated lines may include DSL, T1 or T3 connections; a line that is "always on" or otherwise available for instant transmission of data is also referred to as a dedicated line.

Dial-Up

The method of accessing the internet using traditional phone lines.

DNS - Domain Name System

A system of servers located throughout the internet that translate web site and email domain names into the appropriate IP address used by routers and servers to locate the specific web site.

Domain Name

A unique name that identifies a web site or an email address. In the URL www.slpinc.net, the domain name is: slpinc.net. Note that .net is a top level domain. The most familiar top level domains are .com, .org, .net, and .edu.

Email - Electronic Mail

Messages sent from one person to another via computer. Email can also be sent automatically to a large number of addresses via a mailing list. Email sent from an unknown origin without the permission of the receiver is known as spam.

Ethernet

A standard and the most popular connection type for Local Area Networks (LANs). Ethernet can transfer information at up to 10 Megabits per second (Mbps) and faster versions are available at 100 Mbps and greater.

Hit

A single request from a web browser for a single item from a web server. If a browser requests a web page that contains 6 graphics, 7 hits are registered by the server: 1 hit for the page itself, plus a hit for each of the six graphics.

Host

Noun: A computer that is connected to a TCP/IP network, including routers, servers, and computers with browsers. All hosts on the internet have a unique IP address.

Verb: The act of providing the infrastructure for an application or service. A company that hosts a web site provides the hardware and software needed to receive requests for pages with the site and deliver those pages, as well as running any supplemental applications.

HTML - Hypertext Markup Language

The code, or special tags used to create the basic web page structure.

HTTP - Hypertext Transfer Protocol

The protocol for moving files across the web. A web address begins with <http://> because the server uses http to deliver the content.

Hypertext

Any text within a document that is linked to another location. When a user click hypertext with a mouse, the link is activated and the browser requests the page to which the link directs it.

Internet

A collective noun that refers to the interconnection of many backbone networks and sub networks that all use TCP/IP to transport data.

ISDN - Integrated Service Digital Network

A digital connection using phone lines at speeds up to 128 kbps. It allows two communication devices, or appliances such as telephones, computers and faxes to be used on one phone line simultaneously.

ISP - Internet Service Provider

A company that resells its bandwidth to an internet backbone to home users. ISPs also tend to offer hosting and related internet services such as email.

LAN - Local Area Network

A computer network created when computers within close proximity of each other are connected to enable data sharing.

Leased Line

A dedicated, full-time connection used to link or network to an Internet Service Provider or another network.

Mail Forwarding

A mechanism that automatically forward email from one address to another. Users with more than one email account can have email forwarded from several other accounts into a single mailbox for viewing.

Mailing List

A communication format that connects many users through an automated email copy and forward system. When a user sends an email to a mailing list, every subscriber to that mailing list receives a copy. The term "mailing list" also refers to the community that is formed by the collective membership exchanging email.

Meta Tag

HTML tags that contain information about a web page, such as the keywords that describe the page's content. Some search engines collect this information and use it as a means of judging a site's relevance to a user's search criteria.

Modem - Modulation/Demodulation

A hardware device that allows your computer to send its digital information over phone lines that were built to carry analog signals. It transforms the computer's bits into analog frequencies and then converts the frequencies back to digital on the receiving computer.

Page Views

A unit of measurement referring to a server sending the HTML code that produces a web page. This is a preferable measurement of a web site's user traffic, but it is still ambiguous. Understand that a server may send a page's HTML code, which would be recorded as a page view, but it is not absolute assurance that the page was seen by the user.

POP - Post Office Protocol

A mechanism for retrieving email from a server and delivering it to an email client (eg. Outlook Express).

POTS - Plain Old Telephone Service

The cable wiring used in the telephone network, which gets its name from the two individual strands of copper wire that are twisted together.

Protocol

A standard for the exchange of information. In the same manner that the term is used in the military or diplomacy, a protocol dictates rules of engagement, such as who speaks first and in what order processes take place. More technically, it's a formal description of message formats and the rules that two computers must follow to exchange messages.

Search Engine

A directory of internet content. Search engines use spiders to search for web pages, and then list those pages according to the content they contain. When you use a search engine to find specific information, the search engine provides a detailed list of web pages that best match your inquiry. Popular search engines include Google, Yahoo!, Infoseek, MSN, etc.

Server

A computer or program that manages network resources. The term can refer to a program, or to a machine on which the program is running. A single server machine could be running several programs, thus providing different services to users on the network.

Spam (or Spamming)

Junk email or junk newsgroup posts. Spam is usually some sort of advertising, inappropriately set to a mailing list or newsgroup. Spam not only wastes the recipient's time, but also misuses network bandwidth.

Spider

An internet program (used by a search engine) that explores the web at large. Spiders collect and index web page address based on content found on those pages.

TCP/IP - Transmission Control Protocol/Internet Protocol

The standard communications protocol for data transmission over the internet. Although technically two separate protocols, the functionality created by both enables data to be broken down into packets and sent from one host to another.

URL - Uniform Resource Locator

The standard way to display an address on the web. In the following example: <http://www.slpinc.net/carmunicators.htm>, the URL includes the protocol (<http://>), the domain ([slpinc.net](http://www.slpinc.net)), and any directory required to locate specific files, folders or pages requested ([carmunicators.htm](http://www.slpinc.net/carmunicators.htm)).



Conclusion

Quick Thought

“Computers are magnificent tools for the realization of our dreams, but no machine can replace the human spark of spirit, compassion, love, and understanding.”

Congratulations on the completion of this internet sales training course. We hope the information you receive will help take your internet department to that next level of sales and financial success.

If you have any suggestions for improving this course, you can email them to:

Mike Whitty
mike@slpinc.net

Remember: Complete the quiz found on the following pages, return the results and we'll send you a Certificate of Completion.

Internet Course Review Instructions

This review is meant to test your understanding of what was learned in the **“Winning the Internet Sales Game”** course.

Once the review is completed and graded using the answer by visiting **www.inetselling.com/quiz.htm**, complete this page and mail to:

Mail to: **ATTN: Internet Review
Salesperson, Inc.
9312 Columbia St.
Redford, MI 48239**

and we'll mail you a **Certificate of Completion.**

Student's Information

Student Name _____

Internet Appointment Coordinator Internet Salesperson

Internet Sales Manager Other _____

Dealership _____

Dealership Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

Dealership Email Address _____

Student Email Address _____

Dealer Website _____

— Mailing Address if other than above: —

Address _____

City _____ State _____ Zip _____



Internet Course Review

Chapter 1 — Introduction

The first hurdle you'll have to get through in developing an outstanding internet department is:

- getting buy-in from dealer principles and managers
- trying to figure out how the internet works
- getting up and coming to work in the morning

88% of people who walk on your lot:

- can't afford to purchase a vehicle
- have visited the web and researched your vehicles
- are mystery shopping for other dealerships

The biggest difference between the traditional showroom prospect and internet prospect is:

- the internet prospect needs more information by email or phone
- the traditional prospect is easier to sell
- the internet prospect is less likely to buy

Many Internet Sales Managers:

- have been demoted to this position
- are children of the dealer
- fail to do everything they can to make their department successful

An internet department can be:

- one of the lowest cost, highest return departments in the dealership
- a place to go if you can't sell showroom prospects
- a losing proposition

Great internet salespeople are usually those that:

- have been in the business for over 15 years
- are soft spoken, less aggressive, can work the phones
- can close a customer through email

Your web site should be structured to:

- be pretty, flashy and have a lot of music
- be driven by a sales process, not just an information process
- be a salesperson that sells the vehicles without you

Chapter 1 — Introduction (cont.)

You can get more prospects to come to your website by:

- putting your web address on all printed materials and advertising
- bribing them
- they'll come without you doing anything

To get started with your internet department you should:

- take stock of what you have and what direction you want to go
- go out and spend tons of money on technology
- have someone else develop it

Great internet salespeople are usually those that:

- have been in the business for over 15 years
- are soft spoken, less aggressive, can work the phones
- can close a customer through email

What are the six basic steps that every online dealership should take to increase sales (check all that apply):

- Have a properly designed, effective website
- Have the most expensive website in your area
- Maximize sales opportunities with correct site positioning
- Develop an online marketing strategy
- Hire the most expensive, traditional salespeople in your area
- Develop e-customer sales skills and systems
- E-customer service should be top-notch
- Measure the results of everything you do
- Cross your fingers and hope for the best

Chapter 2 — Looking Into The Future

The internet will become the gateway of communication with your prospects, customers and suppliers alike.

- True
- False

Chapter 2 — Looking Into The Future (cont.)

Upon hiring, a salesperson will take a test to determine their product knowledge and sales aptitude and from this test result they will be required to take courses at your dealership university.

- True
- False

When you order supplies, a salesperson will still need to come to your dealership so you can place your order.

- True
- False

You will monitor your inventory and compare it to auction prices in real-time to ensure you are cost competitive.

- True
- False

During the entire process of building the vehicle the customer will get updates and be able to see their vehicle during production.

- True
- False

Making service appointments online will be tied directly into your dealership operating system so your appointment book is updated instantly.

- True
- False

With the internet being so huge, your parts department will need to have twice as many products to fill customer demand.

- True
- False

The future enterprise will be a smaller facility with less staff and more focused around customer care and service than sales.

- True
- False

Chapter 3 — Benchmarks of the Most Successful Dealerships

Master Dealers in Internet Leads Generate:

- less than 5% of internet sales
- more than 10% of internet sales
- enough sales to play golf every day

The Amateur Dealers in Internet Leads Generate:

- 8% of internet sales
- less than 5% of internet sales
- virtually no sales whatsoever

If it's true that measuring yields success, it's important to track every internet lead.

- True
- False

Chapter 4 — Fundamentals of the Internet

The World Wide Web is a collection of electronic documents that are linked together like a spider web.

- True
- False

The Web is made of a bunch of spider filaments.

- True
- False

Web pages are stored on web servers located around the globe.

- True
- False

URL stand for "unified routing language".

- True
- False

A web page (such as the one you are looking at now) is an electronic document written in a computer language called HTML (Hypertext Markup Language).

- True
- False

Chapter 4 — Fundamentals of the Internet (cont.)

The first page on a web site is called "Page 1".

- True
- False

You can navigate the web by clicking on a hyperlink.

- True
- False

If you move your cursor arrow over an image, you know the item is hyperlinked if the arrow cursor turns into a hand.

- True
- False

ftp://inetselling.com is a directory of files that you can download.

- True
- False

http:// - Short for Hypertext Transfer Protocol, this indicates a hypertext document or directory.

- True
- False

A web browser is a software program used to access the World Wide Web.

- True
- False

The two most popular browsers come from Opera and Microsoft.

- True
- False

If you want to save an image from a web page, you click on the left mouse button, and save the image to your hard drive by selecting a Save option.

- True
- False

Sound, video, animation, and 3D interactive video are referred to as multimedia.

- True
- False

Plug-ins are small software programs that extend the capabilities of your browser by enabling it to play sounds and video clips or do other functions, such as automatically decompressing files that you download.

- True
- False

Chapter 5 — Your Website as a Sales Tools

When building a web site, I should try to avoid (check all that apply):

- using frames
- scrolling text messages and animations
- long scrolling pages
- putting pictures of my vehicles on the site
- lack of navigational support

Taking the time to plan will maximize your chances of reaping internet rewards.

- True
- False

When developing your web site, your goal should be to help the customer have an easier, faster and simpler vehicle shopping and purchasing experience.

- True
- False

It is important to build your website based on the way your customer will buy.

- True
- False

If I want to sell more vehicles from the internet, I should (check all that apply):

- make my vehicles searchable
- put photos of all my vehicles on my web site
- make it easy for my customer to navigate through my site
- become a hard closer and put pressure on the internet customer
- keep my inventory current

Your receptionist will send all internet leads to your department.

- True
- False

Chapter 5 — Your Website as a Sales Tool (cont.)

To attract more customers to my web site, I should (check all that apply):

- make sure my web address is on all printed materials
- make my website flashy and annoying
- put my web address on phone system messages

When building a website, I should try to avoid (check all that apply):

- using frames
- scrolling text messages and animations
- long scrolling pages
- putting pictures of my vehicles on the site
- lack of navigational support

Chapter 6 — Finding You Through the Search Engines

About 85 percent of American Internet users depend on search engines to find information, including websites.

- True
- False

Considering the cost associated with regular advertising, having your website address work within the search engines is the key to success.

- True
- False

Search engine optimization means creating an online marketing campaign to target search engines for ranking.

- True
- False

The text used in the title tag has nothing to do with determining how a search engine ranks the web page.

- True
- False

The sole purpose of META tags is to be found by search engines looking for relevant information for the user.

- True
- False

Once you setup your META tags, you will never have to update them again.

- True
- False

Chapter 7 — Internet Technology That's a Must

Which of the following tools should an Internet Sales Professional have to properly get started (check all that apply).

- Your own computer(s) with the proper software
- A good Email program with the ability to receive and send email
- A web browser for surfing the web
- A lead tracking and follow-up database
- A digital camera
- Your own direct phone line and department
- Cooperation and endorsement of Management
- A budget
- A digital pager
- The willingness to learn

Chapter 8 — Internet Lead and Lead Providers

Internet Lead Provider (ILP) generates a potential customer for your new or used vehicle by forwarding an email inquiry or a telephone call to the dealership.

- True
- False

When selecting a provider, you should take their word for everything without checking them out.

- True
- False

When a provider comes to you with an initial offer of free leads, be sure to find out about any future costs and set-up fees.

- True
- False

Chapter 8 — Internet Lead and Lead Providers (cont.)

With any provider that offers a flat-rate for leads, you need to make sure they can guarantee a minimum number of leads each month so you don't end up paying very high costs per lead.

- True
- False

It wouldn't matter what you pay for leads as long as your closing rate is high?

- True
- False

When considering a lead provider, you need to find out what their volume is.

- True
- False

A good provider can deliver both – the amount of leads you need on a consistent basis, month after month, and the flexibility to increase or decrease your volume as needed.

- True
- False

The closer the lead is to where you are, the more likely they will be to buy from you.

- True
- False

A good way to find out if the lead provider is top notch is (check all that apply):

- to find out who else uses them and ask for references
- to find out if they count large dealer groups as their clients
- can they provide references from dealers representing different franchises in any given market across the country
- is the rep you'll be working with proactive about calling you and available when you need them
- do they understand your business and what you do every day

Chapter 9 — The Internet Customer

To effectively sell online customers you must first understand who they are, and how they are changing the Traditional Vehicle Sales process.

- True
- False

An internet customer will get a better deal than a traditional showroom customer.

- True
- False

The biggest complaints that online shoppers experience are (check all that apply):

- nobody bothered to get back to them at all
- the salesperson would not answer their questions or give them a price
- the email response was a canned letter that was useless
- they saw nothing of value on the website
- salespeople were using the same old high-pressure tactics

Chapter 10 — Developing an Internet Business Plan

Most dealerships will develop a business plan for their internet departments.

- True
- False

The internet department needs to be run like a separate entity, and not considered as part of the typical sales process.

- True
- False

The internet sales runs contrary to the traditional selling process, therefore needs a totally different business plan than you would create for the new or used vehicle departments.

- True
- False

Define what you want to accomplish on the internet (check all that apply):

- do you want to just sell new and used vehicles?
- do you want all your inventory online?
- do you want to offer online credit approval?
- do you want to sell parts and accessories?
- do you want to offer service scheduling?
- do you want shoppers to be able to contact you directly?

When you're attempting to identify your staff, you should really try to understand what the staff will be responsible for, and what knowledge and traits they must possess or acquire through training.

- True
- False

Chapter 10 — Developing an Internet Business Plan (cont.)

Management is crucial to make sure the department runs smoothly and goals are attained.

- True
- False

Identify the tools you'll need to incorporate into your business plan (check all that apply):

- web site technology
- email lead management tools
- hosting for your website
- types of reports
- computers
- logistics

When laying-out a comprehensive cashflow statement, which of these should you consider (check all that apply):

- salaries
- commissions
- hosting
- lead sources
- advertising
- training
- gross on vehicles, parts and service

Chapter 13 — Choosing an Internet Staff

In many dealerships, the manager will check the email inbox for leads whenever he/she has time, pass them out to whichever salespeople are available, and never monitor their success.

- True
- False

For a dealership to be successful with online selling, you can put any salespeople in place to handle the leads.

- True
- False

Chapter 13 — Choosing an Internet Staff (cont.)

The outstanding internet salesperson (check all that apply):

- feels very comfortable selling on the phone
- has an above average knowledge of email, the internet, and the internet customer
- researches other websites to compare against
- always comes in late and leaves early
- develops solid plans for building the department
- consistently learns new up-to-date techniques
- cherry-picks all the leads and only handles the ones he/she likes
- has a solid work ethic
- believes that the internet prospect is different than the traditional showroom customer, and treats them accordingly
- understands that the process for providing them information through email and over the phone is different than having the prospect sitting across from them

What should the qualifications and duties of the internet salespeople be (check all that apply):

- the internet salesperson must know how to use a computer, email programs and lead provider organizers
- understands that traditional sales techniques do not work online
- must have at least a 30 IQ and be 43 years of age
- open-minded, literate (most communication is by email), and has good follow-up skills
- must be willing to work numerous leads without cherry picking
- be willing to go outside and shoot photos of your inventory to email back to online customers and upload to the website

The average production should be 80 leads per internet salesperson.

- True
- False

A full-time internet manager will provide the following services (check all that apply):

- develop monthly quotas
- conduct daily department sales meetings
- distribute and follow-up with leads
- assist in writing deals and closing sales
- update the website with information and pictures
- help with writing autoresponders and newsletters
- work closely with the used vehicle manager
- write monthly reports

Chapter 14 — The Power of Email

The number one reason people log on to the internet is to send and receive email.

- True
- False

The number two reason is to play games.

- True
- False

Email is the most powerful application on the internet, and for good reason. When used properly it can communicate “one to one” to prospects with speed and reliability.

- True
- False

Research has found that sales reps effectively selling vehicles using the internet have email capabilities and are following-up on every lead.

- True
- False

Internet salespeople relying solely on the phone for follow-up are selling just as many vehicles as those who also use email.

- True
- False

Email or phone follow-up is the most effective depending on certain areas and parts of the country.

- True
- False

The number one reason sales reps give as to why they don't follow-up on every lead they get is, “I just don't have the time.”

- True
- False

Top internet sales reps spend 1-2 hours every day online.

- True
- False

Chapter 14 — The Power of Email (cont.)

The internet department should be a separate entity from the sales department.

- True
- False

What tips can you use to help make your email more productive (check all that apply):

- Always hit the return button twice between paragraphs
- DO NOT USE ALL CAPITAL LETTERS
- Follow-up immediately
- Treat each email as an individual
- Have a consistent price policy
- Setup lead folders in your email box
- Beware of mass emailings
- Don't call if they want to be responded to by email
- Use hyperlinks in your email
- Don't use emoticons
- Don't dismiss customers who are too far away

The areas of the email I need to concentrate on so that I get better responses from the prospect are (check all that apply):

- subject line
- opening statement
- body
- the close

Another hard-charging communication method comes courtesy of live chat services.

- True
- False

Live chat provides the following benefits (check all that apply):

- you can give your prospect immediate attention and answer critical questions without the time-lag of email
- you can waste time talking to your friends when you don't want to work
- you can see who's on your site and contact them in a non-threatening way
- you can provide customer support for your current customers
- you can use it to set up test drives, set service appointments or as your online help desk when shoppers want information
- if you have multiple people in your Internet department, use it for them to effectively communicate with each other

Autoresponders are:

- programs that can communicate with your car
- programs that answer your phone calls
- programs set up to automatically respond with a designated email when a lead is sent to your email inbox

The nice part of autoresponders is that you can do a lot of selling before the actual phone contact by providing them with current rebates, specials, etc.

- True
- False

Chapter 15 — Understanding the Selling Process

Once your prospect comes into the dealership to view your product, the selling process for an internet customer remains virtually the same as for a traditional customer.

- True
- False

The only difference will be that the internet customer still feels like he/she has more control over the process because of the amount of information gained from the internet.

- True
- False

The internet customer may also get more insulted if the negotiations start too high because many of them feel that by utilizing the internet, they will get a vehicle cheaper.

- True
- False

Because the customer has more information than a typical showroom customer, you should probably give away all your profit right from the start.

- True
- False

Email follow-up will be the lifeblood of your future business, and will occupy the greatest majority of your time.

- True
- False

Chapter 15 — Understanding the Selling Process (cont.)

Most Internet sales reps will only respond once to a lead and will use canned responses.

- True
- False

Your direct email marketing campaign should begin 2 weeks after your prospect doesn't respond to you and continue for one week or until the prospect removes himself from your list.

- True
- False

You should keep sending emails to your prospect or customer even if they decide to unsubscribe.

- True
- False

To really get the most out of your follow-up system you need to track everything.

- True
- False

You should run your internet department by pot-luck and just take whatever it gives you.

- True
- False

Once you develop your organizational plan, what steps should you take in the selling process?

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Chapter 16 — Selling Used Vehicles Online

Since used vehicles are a one-of-a-kind selling situation, it is a little easier to overcome the price-only type customer and to sell the value of a particular vehicle.

- True
- False

Internet shoppers spend more time in the used car shopping process than the traditional shopper.

- True
- False

A study by JD Power and Associates revealed that online used car shoppers will visit 5.2 dealers vs the Traditional buyer who only visits 3.5 dealers.

- True
- False

Access to tons of information makes it easier for the online shopper to find the right vehicle at the right price, and he can find numerous vehicles online, versus just driving around dealer to dealer searching blindly.

- True
- False

Traditional buyers that drive around to find a used car will usually give in earlier, especially if they are having trouble finding the one he wants.

- True
- False

When the online shopper shows up at the dealership, he expects you to have the vehicle he saw online, and he will probably leave when you don't.

- True
- False

Without a sufficient number of leads coming in, you will probably sell just as many vehicles as you would with a ton of leads.

- True
- False

Chapter 16 — Selling Used Vehicles Online (cont.)

Research has shown that most used vehicle shoppers are more price-oriented than brand-oriented.

- True
- False

If you send people actual photos of the vehicle they are looking for, they will respond to you.

- True
- False

Many used vehicle salespeople will sell a lot of vehicles without even walking the lot every morning or checking the trade-in logs for incoming vehicles.

- True
- False

Bringing in serious buyers is the result of putting photos of your inventory online.

- True
- False

Nothing upsets an online used vehicle shopper more than when they don't see prices on the vehicles.

- True
- False

The less info you put into your ad text, the more calls you will receive because they need to find out the information regarding their vehicle of interest.

- True
- False

By putting more pictures online, the internet shopper will develop more confidence in your vehicle since you're not trying to hide anything.

- True
- False

Chapter 17 — Selling on eBay

The most important ways to make your used vehicle online experience more profitable is (check all that apply):

- be familiar with your current inventory
- have actual photos on your site to sell more cars
- keep your inventory fresh
- only sell the junk at a high price
- sell the sizzle, not the steak
- price your used vehicles online
- design your classified ads properly
- include your name and dealership
- don't take sold vehicles off so they'll have to call you
- have your own direct phone line
- have your own email address
- have a good description of your vehicles
- add a lot of pictures in your classified ad

Selling vehicles on eBay is more of an art than science.

- True
- False

What are some tips needed for creating a listing that will sell the vehicle for you (check all that apply):

- create an accurate, descriptive title for the ad
- provide the basic details the customer will need to know about the vehicle
- provide clear, well-lit photos
- provide any notable additions or modifications to the vehicle
- describe the vehicle ownership history
- incorporate any maintenance records

Feedback provides a real time report card of the individual's transactions, which can provide an added layer of buyer and seller confidence.

- True
- False

It probably goes without saying that actively managing your listing and sales process will get you better results than not doing so.

- True
- False

Chapter 16 — Hiring an Appointment Coordinator

Putting an Appointment Coordinator in charge of setting appointments from email leads will help the internet department have more appointments come into the dealership.

- True
- False

The appointment coordinator needs to be very organized, understand the computer, and generate detailed reports.

- True
- False

Distributing leads to every salesperson in the showroom may be counter-productive.

- True
- False

The salespeople you choose to handle internet leads should be good closers and handle the phone well.

- True
- False

A good appointment coordinator should have the following responsibilities (check all that apply):

- call every lead that comes in
- try to set an appointment for every lead
- follow-up with all leads that are not contacted
- buy daily lunches for everyone in the internet department
- develop a long-term follow-up program
- keep monthly progress stats
- send monthly email newsletters from the dealership

Chapter 19 — Email Lead Management

From dealer web sites to vehicle portal sites, consumers are finding that email provides them with a convenient, low-pressure way to contact dealerships and get the information they're looking for.

- True
- False

Finding efficient ways to handle email effectively has become one of the most important ways for dealers to convert leads into sales.

- True
- False

The first step is to make it easy for them to contact you to start the sales process.

- True
- False

With a website that incorporates service, parts, and finance and insurance information, you should have all the leads come to you, and you'll distribute them to the other departments when you have time.

- True
- False

Many opportunities for sales can be missed when dealerships are unable to handle the volume of email with their current systems.

- True
- False

When deciding on a Lead Management System, which of these should you look for (check all that apply):

- how easy is the system to navigate?
- what kind of customer support does it include?
- is there a big learning curve?
- how many golf outings will you be invited to?
- how much will the program cost you?
- what is their server uptime?
- does the system include spam filtering?
- how many times till the rep take you to lunch?
- how much initial training, and is there a cost of additional training?
- will the system integrate with your inventory?
- what type of reporting features will it have?
- what is the length of the contract, and is there a penalty for early termination

The basic features that you must have to insure a viable Lead Management System are:

- auto Responder
- unlimited Bulk Mail
- ability to send email as HTML and text simultaneously
- ability for the program to sell the vehicles for you
- ability to build your own Templates to include graphics and images
- ability to insert preset data fields in your templates
- systematic approach to organizing your customer data for follow up
- ability for the program to do all your work for you
- ability to automate templates based upon events such as birthdays, non-response, end of lease cycles, etc...
- extensive report features that provide you the ability to customize to meet your needs
- ability to download your customer base without assistance.

Chapter 20 — Email Direct Marketing

Marketing can be described simply as "creating more selling situations."

- True
- False

If you are not creating more selling situations, then you are not being effective at marketing.

- True
- False

One of the challenges dealers always have faced is how to deploy their advertising dollar to generate the largest return on investment.

- True
- False

The Internet offers alternative methods of marketing for a fraction of the cost of traditional approaches.

- True
- False

Email opens up the lines of communication with consumers throughout the world.

- True
- False

Chapter 20 — Developing an Email Direct Marketing Program (cont.)

Compared with the traditional channels of marketing, using the Internet and email to communicate your message with your prospects and customers is extremely cost-effective.

- True
- False

Once you start to create a database of email addresses you can develop different campaigns to communicate with both your prospects and your customers.

- True
- False

The first place to start collecting email addresses is with your current prospects, sales customers and service customers.

- True
- False

Some practices that have been developed and proven in conjunction with leading e-dealerships and groups across the country are (check all that apply):

- generate major service work
- develop a lifetime customer
- get feedback from your customers
- increase sales of service contracts
- promote parts and accessories
- send an online newsletter
- tell your customers of factory sponsored promotions

By using email marketing, you can generate revenue, cut advertising costs, and keep your customers loyal.

- True
- False

